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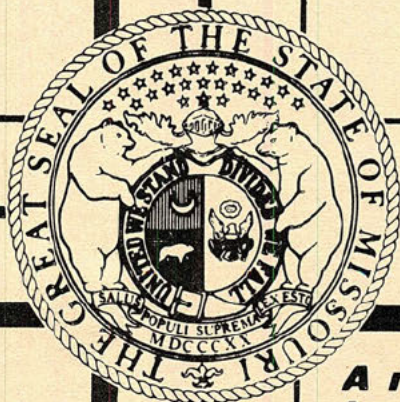
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Program Audit Report

LIMITED SCOPE
PERFORMANCE AUDIT
DEPARTMENT OF ECONOMIC DEVELOPMENT
DIVISION OF CREDIT UNIONS

JANUARY 20, 1988



***A report to the Missouri General Assembly
by the Oversight Division of the Joint Committee
on Legislative Research***

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January 20, 1988

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The Honorable John E. Scott, President Pro Tem
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The Honorable Bob F. Griffin, Speaker
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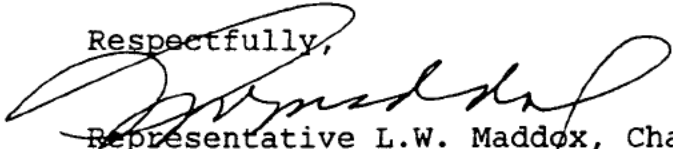
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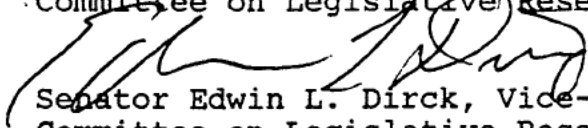
In accordance with the provisions of RSMo 23.190, the Joint Committee on Legislative Research is pleased to present this limited scope performance audit. Pursuant to a committee resolution, the audit was conducted by the Oversight Division to determine the extent to which state employee credit unions are being subsidized by state funds; state chartered credit union shares are protected through share insurance or guarantee corporations; and the extent to which the Division of Credit Unions monitors state chartered credit unions as consistent with existing statutes.

Due to confidentiality requirements the Division of Credit Unions would not allow the Oversight Division to review credit union examination reports and supporting workpapers, enforcement documents, complainant files and management reports with information specific to individual credit unions.

The Joint Committee on Legislative Research wishes to thank the Legislature for its support in 1987 and urges all members to avail themselves of the services of the Committee whenever the need arises.

Respectfully,


Representative L.W. Maddox, Chairman
Committee on Legislative Research


Senator Edwin L. Dirck, Vice-Chairman
Committee on Legislative Research

PREFACE

The Oversight Division of the Joint Committee on Legislative Research was directed by Committee resolution on June 26, 1987, to conduct a limited scope performance audit of the Department of Economic Development, Division of Credit Unions, to include the following specific issues:

- 1) Subsidizing of State Employee Credit Unions,
- 2) Monitoring of State Chartered Credit Unions by the Division of Credit Unions,
- 3) Credit Union Share Insurance.

The Oversight Division was created as a result of HA 1087 passed by the 82nd General Assembly in 1984. The Division is responsible for conducting management and program audits of state government agencies and institutions.

Management and program audits provide feedback to the legislature and the state agencies on the effectiveness of specific programs. Staff from the Division conduct the audits to determine whether the state agencies are managing and utilizing their resources in an efficient manner and according to legislative intent. The audits evaluate the performance of state agencies to determine whether the objectives of the programs are being achieved and the intended benefits are being realized. The audits may also address whether a program duplicates or conflicts with any other state program. In addition, the Division is assigned the responsibilities of providing fiscal research and analysis on legislation pending before the General Assembly.

On behalf of the Committee and the staff of the Oversight Division, I wish to acknowledge the state chartered credit unions that provided information, the staff of the Division of Credit Unions for their cooperation and assistance; and Dr. Walter Johnson, Associate Professor at the University of Missouri, for the background information he provided -- particularly in the area of share guarantee corporations.

Natalie Tackett
Natalie Tackett
Director, Oversight Division
January 20, 1988

Table of Contents

Preface	i
Introduction	1
State Chartered Credit Unions	7
Monitoring of State Chartered Credit Unions	13
Finding 1 Statutory requirement for hiring based on political affiliation	19
Recommendations	19
Finding 2 Handling of Complaint Investigations .	21
Recommendations	23
State Subsidies of State Employee Credit Unions	25
Finding 3 All State Employee Credit Unions . . .	25
Recommendations	31
Finding 4 Department of Highways and Transpor- tation Credit Unions	35
Recommendations	41
Finding 5 No Guidelines for subsidizing State Employee Credit Unions	43
Recommendations	45
Credit Union Share Insurance	47
Perceived Advantages of the NCUSIF	55
Agency Response	57
Appendix A: Response from Division of Credit Unions on request to review examination reports and other support documents	A-1

Appendix B:	Questionnaire sent to all State Chartered Credit Unions with state totals	B-1
Appendix C:	Questionnaire sent to State Employee Credit Unions regarding state costs	C-1
Appendix D:	Directory listing of all Missouri Credit Unions taken from <u>Callahan's Credit Union Directory</u> , 1987 Edition	D-1
Appendix E:	Credit Union Regulation Legislation enacted in 1987 in other states	E-1
Appendix F:	National Association of Share Insurance Corporations Standards for Cooperative Credit Union Share Insurance Corporations	F-1
Appendix G:	State Employee Credit Union Rankings as Published by IDC Publishing, Inc. (April, 1987)	G-1

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INTRODUCTION

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The Oversight Division of the Joint Committee on Legislative Research was directed by Committee resolution to conduct a limited scope audit of the Division of Credit Unions to include the following specific areas.

- 1) Determine if state chartered credit unions are monitored by the Division of Credit Unions in a manner consistent with existing statutes.
- 2) Determine to what extent credit unions that serve employees of the State of Missouri utilize any state personnel, state facilities or other state resources; determine to what extent the state is reimbursed for these services?
- 3) Determine the extent to which credit union shares are insured or otherwise protected through credit union share insurance or guaranty corporations.

In order to evaluate the Division's monitoring of credit unions, the Oversight Division requested access to certain agency documents. Citing confidentiality requirements, the Division of Credit Unions would not allow the Oversight

Division to review many of the documents that would be necessary to fully evaluate the Division's monitoring procedures. (See appendix A). Specific documents that the Oversight Division requested of the Division of Credit Unions but were not allowed to review included:

- 1) Credit Union examination reports and supporting workpapers,
- 2) Credit Union annual reports as required by Section 370.110,
- 3) All enforcement documents such as cease and desist orders, etc.,
- 4) All complainant files,
- 5) All management reports with information specific to individual credit unions.

As a result of not having had access to these records, a thorough analysis of the Division's monitoring and enforcement procedures was not possible.

Methodology

In order to satisfy the requirements of the resolution, given the limited information available, the following audit techniques and methods were used.

- o interviews with Division of Credit Union management staff,
- o examination of those Division of Credit Union documents related to the regulation of credit unions that were made available to Oversight,
- o questionnaires to selected credit unions regarding state costs,
- o examination of statistical data provided by the Division of Credit Unions,
- o interviews with six credit union examiners,
- o questionnaires to all state chartered credit unions, and
- o questionnaires to persons who complained to the Division of Credit Unions.

Division of Credit Unions' History and Organization

The Division of Credit Unions was created under the Omnibus State Reorganization Act of 1974. All the powers, duties and functions vested in the State Supervisor of Credit Unions and those relating to credit unions that were then vested in the Commissioner of Finance were transferred to the newly designated Division of Credit Unions.

The Division of Credit Unions has power under Chapter 370 RSMo. to govern State-approved credit unions, their officers and operations.

The original statute enacted in 1927 gave the Secretary of State chartering authority over credit union members and required that all amendments to the by-laws be approved by him. Effective August 13, 1972, these powers were transferred to the Commissioner of Finance and are now vested in the Director of the Division of Credit Unions. The Director of the Division of Credit Unions has exclusive supervision of all credit unions operating under the laws of Missouri and makes necessary rules and regulations to carry out the provisions of Chapter 370 RSMo. The director is nominated by the Director of the Department of Economic Development and appointed by the Governor with the advice and consent of the Senate.

The expense of administering the law is paid by the individual credit unions through an annual fee which is based on the assets of each particular credit union. Fees collected by the Department of Revenue are remitted to the General Revenue Fund which finances all activities of the Division of Credit Unions through an annual appropriation.

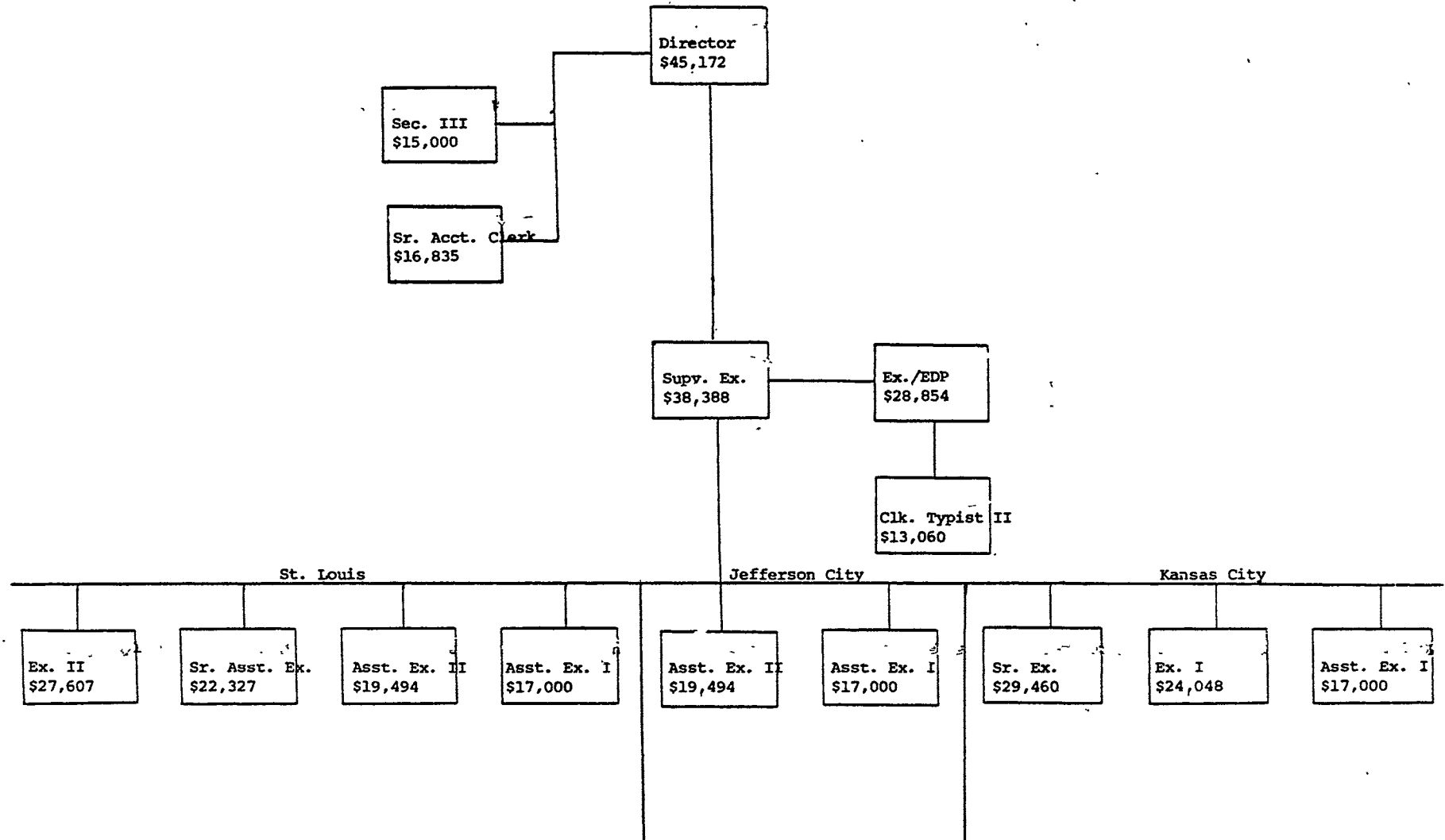
The Division is required to examine each credit union annually or, under certain circumstances, may accept an audit report of the condition of a particular credit union. The Division promulgates rules and regulations to enforce the provisions of Chapter 370 RSMo. relating to state chartered credit unions.

The Division currently employs ten examiners and assistant examiners. Four examiners are located in the St. Louis area, three in the Kansas City area and three work out of the central office in Jefferson City. (See Exhibit 1 for Organizational Chart.)

EXHIBIT 1

DIVISION OF CREDIT UNIONS

As of June 30, 1987



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STATE CHARTERED CREDIT UNIONS

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Despite a marked decrease in the number of state chartered credit unions in Missouri, Credit Union participation by members has steadily increased over the past ten years.

The total number of state chartered credit unions has decreased by over 100 credit unions over the past ten years - from 372 state chartered credit unions in 1978 to 266 in 1987. This is a decrease of over 28%. While the number of state chartered credit unions has declined, membership in state chartered credit unions has increased significantly - from 585,134 in 1978 to 791,496 in 1987.

Although many smaller credit unions have been merged or liquidated, generally Missouri credit unions have become larger. The average state chartered credit union membership has increased from 1,573 members in 1978 to 2,975 members per credit union in 1987. Total assets, loans, investments and capital have also increased over the last ten years. (See Table 1 and Exhibits 2 through 7.) The decrease in the number of credit unions in Missouri and the increase in membership and financial size appears to follow national trends according to the 1986 update to the Report of the National Credit Union System Capitalization Commission.

Nationally, credit unions are reduced in number but have grown dramatically in all other financial aspects.

Table 1

Missouri State Chartered Credit Unions
Ten Year Summary
CY 1978 through CY 1987
(In Dollars)

	<u>Total Assets</u>	<u>Total Loans</u>	<u>Total Investments</u>	<u>Total Capital</u>
1978	825,385,956	667,923,731	129,756,002	48,173,470
1979	883,021,012	697,658,686	149,501,268	53,609,713
1980	1,078,934,581	660,014,834	371,859,742	57,473,362
1981	1,413,247,509	714,770,864	633,333,754	65,966,726
1982	1,768,354,711	770,601,739	914,716,932	72,346,117
1983	1,911,311,970	911,416,127	914,747,604	77,899,239
1984	2,044,556,982	1,106,933,707	849,836,429	85,027,598
1985	2,360,988,159	1,141,166,181	803,732,936	102,965,384
1986	2,945,389,918	1,225,095,545	1,067,255,734	106,925,431
1987	3,109,873,138	1,267,780,896	1,150,952,822	115,009,534

As of June 30, 1986, there were 27 federally chartered credit unions in Missouri and 277 state chartered credit unions. Therefore, 91% of all credit unions in Missouri are state chartered. Nationally there are 7,079 state chartered credit unions which represents 42% of all credit unions according to Callahan's Credit Union Directory, 1987 Edition. Missouri ranks eighth nationally in total assets of state chartered credit unions as of June 30, 1986.

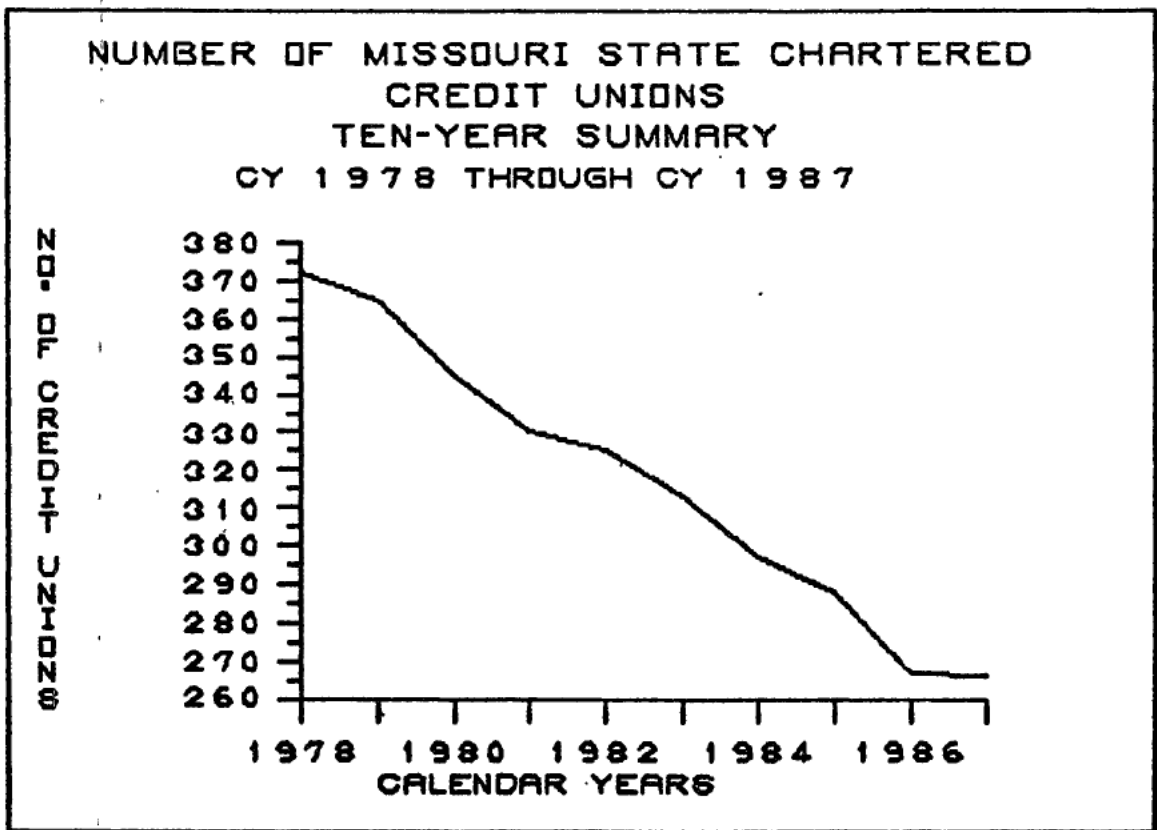
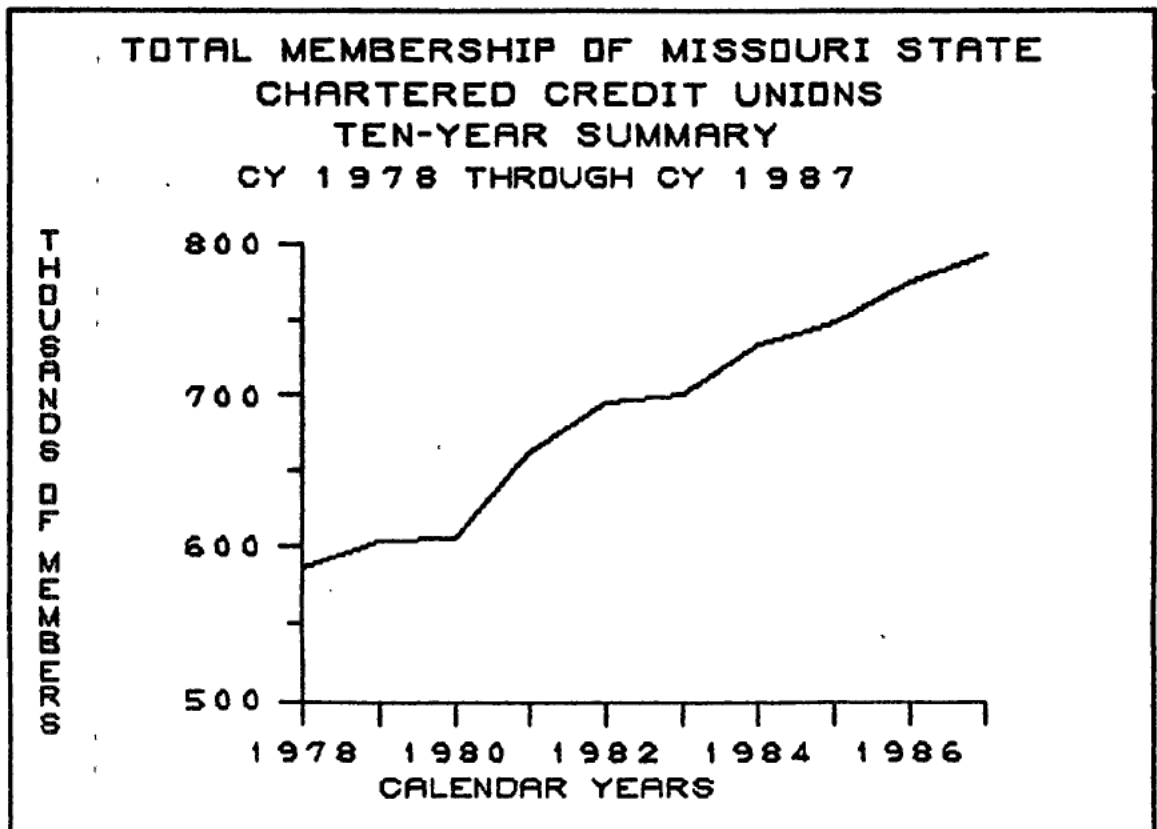


EXHIBIT 3



Source: Graphs developed from information supplied by the
Missouri Division of Credit Unions

EXHIBIT 4

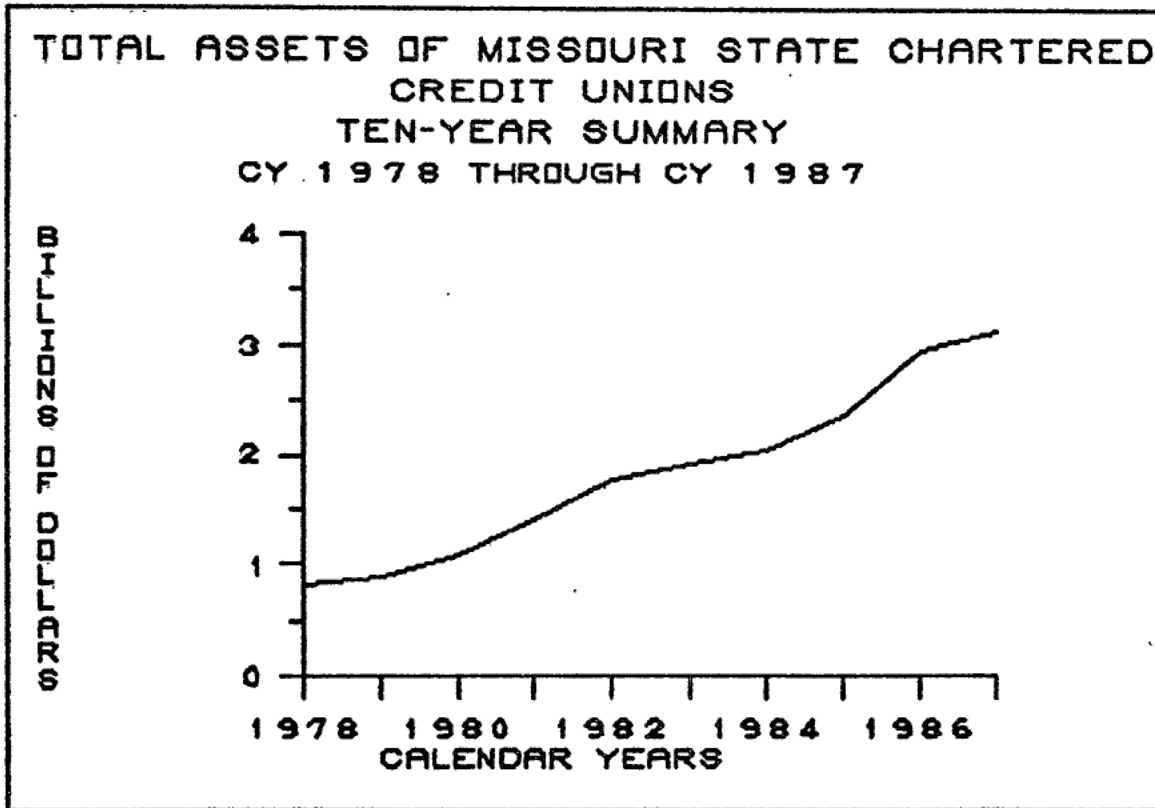
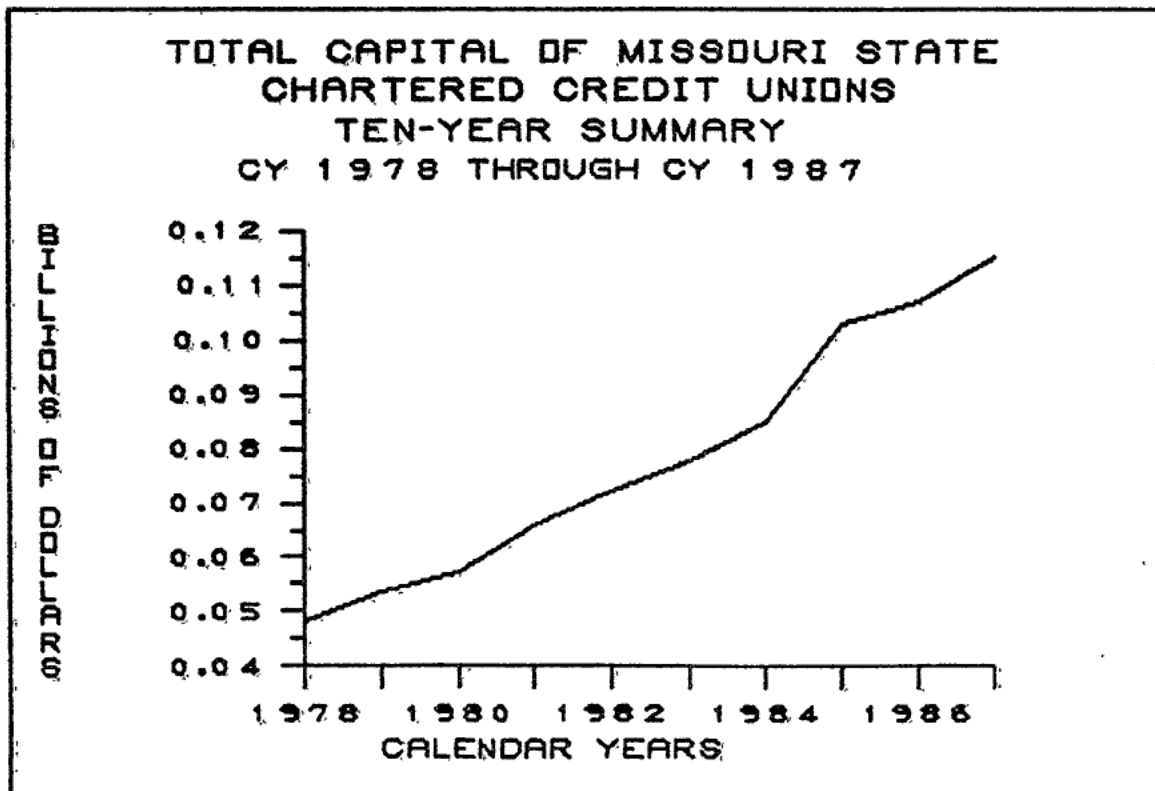


EXHIBIT 5



Source: Graphics developed using information supplied by the Missouri Division of Credit Unions

EXHIBIT 6

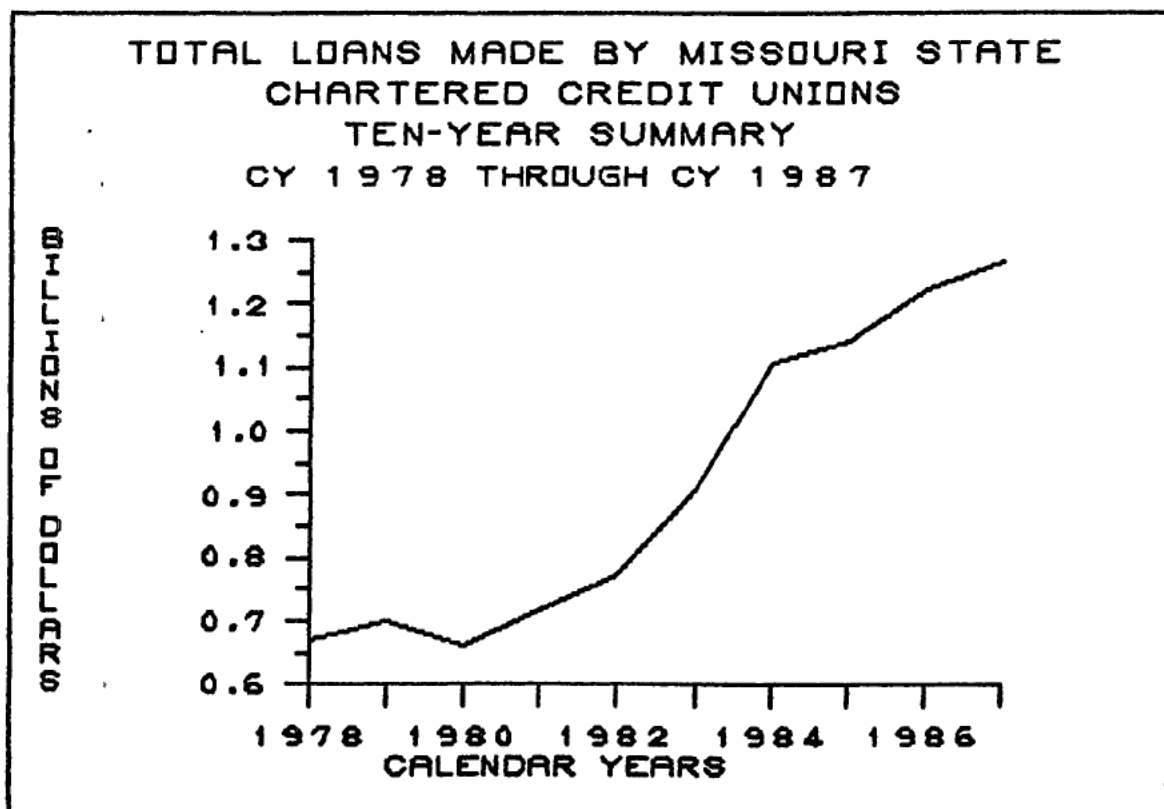
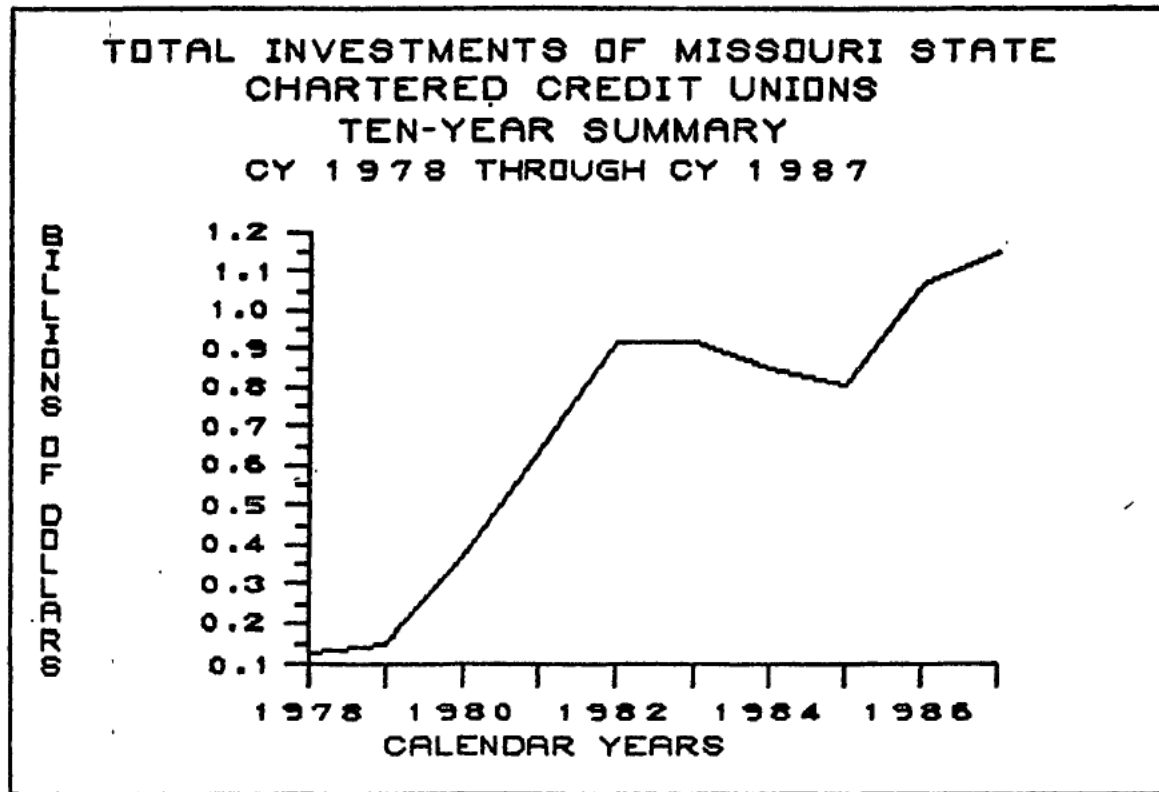


EXHIBIT 7



Source: Graphs developed using information supplied by the
Division of Credit Unions

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MISSOURI DIVISION OF CREDIT UNIONS'
MONITORING OF STATE CHARTERED CREDIT UNIONS

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Credit Union Examinations

The Committee on Legislative Research directed the Oversight Division to determine if the Division of Credit Unions monitors state chartered credit unions in a manner consistent with existing statutes. Since the Division of Credit Unions would not allow the Oversight Division to review its examination or enforcement records on individual credit unions, a thorough analysis of credit union examinations could not be completed. Given the lack of available information, a survey was sent to all of the approximately 266 state chartered credit unions. (See Appendix B for the survey.) Slightly over 200 credit unions responded to the survey - a very high response rate for a survey of this type.

The Division of Credit Unions is required by statute (370.120 RSMo) to examine each state chartered credit union yearly or to accept an audit report for the condition of the credit union in lieu of making the annual examination. According to the supervisory examiner, the Division of Credit Unions has not accepted any audits but has examined

each credit union each year for at least the past three years.

Information acquired through the survey of credit unions indicates that credit unions are being examined yearly as required by statute. The following summarizes the responses by credit unions regarding state examinations. All responding credit unions indicated that they had been examined by the Division within the last 18 months. The responses were as follows:

The Division of Credit Union's last inspection of the credit union was -

Within the last three months	46	(23%)
Within the last six months	47	(23%)
Within the last year	93	(47%)
Within the last eighteen months	14	(7%)
Within the last two years	0	(0%)

Number of times the Division of Credit Unions examined the credit union in the last two years -

Once	15	(8%)
Twice	170	(87%)
Three times	7	(4%)
Four times	3	(2%)
More than Four times	1	(1%)

According to the survey, the average number of times a credit union was examined during the last two years was 2.015 times with a standard deviation of 0.548. From the survey it is evident that the Division of Credit Union examiners are examining credit unions on a regular basis. According to the Division, each credit union is tracked to ensure a yearly examination.

The average number of state examiners present for each examination was 1.61 and the average length of the examinations was 2.89 days. Seventy-eight percent of the responding credit unions reported that the examiners identified at least some violations or problems as a result of the examinations. Ninety-three percent of the credit unions indicated that they were notified within one month of any violations or problems found by the examiners. One hundred and sixty-two out of 166 (98%) said they were given enough information to correct the problem. Less than 2% of the responding credit unions reported that they had received penalties as a result of the examination (three out of 191).

Overall the credit unions that responded indicated that they were satisfied with the examination process. One hundred seventy nine out of 189 (95%) credit unions indicated that the examinations were productive with regard to ensuring the financial stability of credit unions and 95% also indicated that they were satisfied with the Division of Credit Unions' handling of examinations.

The Division of Credit Unions revised its credit union examination process in June, 1987, by adopting the newly developed Core Examination Report (CEP) issued by the National Association of Credit Union Supervisors in February, 1987. This examination program was developed by a joint task force comprised of representatives from the National Association of State Credit Union Supervisors and the National Credit Union Administration. The CEP workpapers include a statement of financial condition, statement of income, key ratios, loan analysis, investment analysis, summary of borrowed money, shares and deposits structure, capital evaluation liquidity and funds management, management review, examination overview, records of action and a confidential section used by the division and sent to the share insurer. The Oversight Division was not allowed to review completed examinations, therefore no conclusions or findings regarding examination completion are included.

The examinations are performed by Division of Credit Union examiners. By statute all examiners are to possess at least three years actual practical experience with credit union operations (RSMo 370.100). As of June 30, 1987, there were four field examiners in the Division that were at the level of an Examiner or above. Due to recent turnover, three new assistant examiners were hired since March, 1987. It should be noted that assistant examiners with less than

three years experience do conduct examinations of credit unions on their own, although according to the Division each examination is reviewed by the supervisory examiner at the central office.

FINDING 1. The Division of Credit Unions has made no attempt to comply with State statutes requiring an equitable distribution of employees based on political affiliation.

State Law provides that:

"Appointment of examiners and assistant examiners shall be made that as near as may be, one-half of their number respectively shall be members of the political party polling the highest number of votes for governor at the last preceding state election, the remaining one-half shall be members of the political party polling the next highest number of votes for governor at the last preceding state election."

According to the Division, examiners have not been required to provide their political affiliation and there is no way to determine if the Division is complying with this statute. Of the six examiners interviewed by the auditors, five indicated that they did not consider themselves members of any political party.

RECOMMENDATIONS

1.A. The Division of Credit Unions should comply with Missouri law that requires an equitable distribution of employees based on political affiliation.

1.B. The General assembly may wish to consider legislation revising this statute to require that political affiliation not be considered when appointment of examiners are made.

FINDING 2. Complaints against credit unions filed with the Division of Credit Unions are generally investigated by telephone. There is no evidence available to the Oversight Division that serious complaints against credit unions are investigated with more than telephone calls to the credit unions that are being investigated.

According to the Division of Credit Unions all complaints received are investigated and a complaint form is used to document the complaint when it is taken over the telephone. The complaint is generally handled by one examiner at the central office who is designated as the complaint officer. According to the supervisory examiner, the main instrument of resolving complaints is the telephone. The complaint officer generally has been the examiner in the central office with the least experience.

The Oversight Division was unable to review the complainant files due to confidentiality requirements cited by the Division of Credit Unions. The auditors were provided a list of complainants who had recently lodged complaints against various credit unions and these persons were surveyed. The survey showed a high correlation between a complainant's satisfaction with the Division of Credit Union's investigation and whether the complaint was resolved

in favor of that complainant. Therefore, it was difficult to draw conclusions from the survey. Several of the complainants were dissatisfied that the investigation consisted only of a telephone call to the credit union that was to be investigated. Some of the complainant comments were as follows:

The whole investigation consisted of a telephone call to the credit union by the examiner. The examiner so-called resolved the complaint by speaking to the people in question over the phone. If they lied he has no way of knowing the truth.

Someone probably called the credit union to notify them of my complaint.

[the credit union] simply denied it, and the state accepted the denial with acquiescence..., there was no investigation to speak of.

The Oversight Division interviewed six Division of Credit Union field examiners and were told that they seldom if ever investigate complaints, and that this function is completely handled by the central office. While the Oversight Division was not given access to the actual complainant files and therefore can make no judgement about the thoroughness of the investigations nor the manpower needed for investigations, several of the complainants have the perception that the investigation relied too heavily on information supplied by the credit unions.

RECOMMENDATIONS

2.A. While placing telephone calls may be sufficient to handle many complaints and inquiries, Division of Credit Unions should reexamine its procedures to place more emphasis on complaints that are not resolved to everyone's satisfaction by using the telephone. The Division should consider a more formalized written complaint procedure for those complaints that are not initially resolved.

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STATE SUBSIDIES OF STATE EMPLOYEE CREDIT UNIONS

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FINDING 3. The State of Missouri is subsidizing certain state employee credit unions by providing state paid personnel, office space, equipment and supplies to support those credit union offices. Other state employee credit unions receive little or no state subsidies.

State subsidized salaries and fringe benefits together with rent and utility costs to certain state employee credit unions currently total an estimated \$452,709.50 annually.

Information supplied by state employee credit unions indicates that an estimated \$377,927 in salary and fringe benefit costs is being paid to provide credit union services to members of some credit unions (see Table 2). In addition to these personnel costs, there are 15 state employee credit unions that are provided a total of 3,835 square feet of state owned office space at no charge to those credit unions. The Missouri State Employees Credit Union is required to pay rent, including utilities of \$19.50 per square foot each year. Although the actual rental value of individual office space varies by location and type of office, if the credit unions that are being provided free office space were to pay an equivalent amount per square

TABLE 2

State Employee Credit Union Survey
Reported State Personnel Usage
As of August 20, 1987

Credit Union	State FTE Devoted to C.U. Business	State Employees Using 5 or more hours per week for C.U. business	Total Hours Per Week	Estimated State Salary Cost Per Year
Dist. 1 Highway	1.18	1 (30 hrs.)	47.1	\$24,276.00
Dist. 2 Highway	1.35	2 (30 hrs.) (8 hrs.)	53.9	\$27,732.00
Dist. 3 Highway	0.63	1 (22 hrs.)	25.3	\$14,292.00
Dist. 4 Highway	1.03	1 (28 hrs.)	41.3	\$23,028.00
Dist. 5 Highway	1.13	2 (26 hrs.) (6 hrs.)	45.3	\$20,506.00
Dist. 6 Highway	1.42	2 (35 hrs.) (15-20 hrs.)	56.6	\$26,124.00
Dist. 7 Highway	1.13	2 (30 hrs.) (8 hrs.)	45.0	\$22,320.00
Dist. 8 Highway	0.68	1 (25 hrs.)	27.1	\$15,420.00
Dist. 9 Highway	0.54	1 (20 hrs.)	21.5	\$11,724.00
Dist. 10 Highway	0.97	1 (35 hrs.)	39.0	\$18,084.00
Jefferson City Highway	3.17	3 (40 hrs.) (40 hrs.) (30 hrs.)	127.0	\$67,908.00
Conservation Employees	0.60	0	24.0	\$12,048.00
Missouri Health	0.00	0	0	0
Employment Security	0.36	0	14.3	\$ 7,176.00
Southwest Teachers	0.06	0	2.5	\$ 1,260.00
Lincoln University	0.02	0	0.8	\$ 396.00
Missouri National Guard	0.01	0	0.25	\$ 120.00
Missouri Student Fed. Credit Union	0	0	0	0

Credit Union	State FTE Devoted to C.U. Business	State Employees Using 5 or more hours per week for C.U. business	Total Hours Per Week	Estimated State Salary Cost Per Year
Northwest Missouri Teachers	0	0	0	0
Missouri State Employees	0	0	0	0
Northeast Missouri	0	0	0	0
Mizzou Credit Union	0.03	0	1.0	\$ 504.00
Central Missouri State	0	0	0	0
Estimated Total State Salary Costs				\$292,918.00
Estimated Fringe Benefits				<u>\$ 85,009.00</u>
Total Personnel Costs				\$377,927.00

Source: Survey of State Employee
Credit Unions

foot for the space they are currently using at no cost, the state would realize an estimated \$74,782.50 per year from rental income, including utilities. (See Table 3).

The State of Missouri also incurs the expense of many of the supplies and equipment used by some state employee credit unions. There were ten state employee credit unions that reported using state supplies without reimbursement to the state. These supplies include pens, pencils, typing paper and ribbon, copy paper, envelopes, adding machine tape, note pads, erasers and file folders, etc. Fourteen credit unions indicated that they use state equipment without reimbursement to the state. Specific office equipment being used by credit unions includes typewriters, copy machines, desks, chairs, file cabinets, microfilm viewers, and calculators.

In many instances the equipment used by the credit unions is not used solely for credit union business. The equipment is also used for other legitimate state business and is shared by the credit union. As a result, an estimate of the total value of supplies and equipment can not be quantified. For example, one credit union indicated it has access to a \$40,000 copier owned by the state but only uses it occasionally.

STATE EMPLOYEE CREDIT UNION SURVEY
Reported State Office Space Costs
as of August 20, 1987

<u>Credit Unions</u>	<u>Office Location</u>	<u>Rent Paid by Credit Union</u>	<u>Sq. Feet Of Space</u>
District 1 Highway	State owned Bldg.	Rent Free	110 Sq. Ft.
District 2 Highway	State owned Bldg.	Rent Free	120 Sq. Ft.
District 3 Highway	State owned Bldg.	Rent Free	144 Sq. Ft.
District 4 Highway	State owned Bldg.	Rent Free	120 Sq. Ft.
District 5 Highway	State owned Bldg.	Rent Free	180 Sq. Ft.
District 6 Highway	State owned Bldg.	Rent Free	350 Sq. Ft.
District 7 Highway	State owned Bldg.	Rent Free	192 Sq. Ft.
District 8 Highway	State owned Bldg.	Rent Free	135 Sq. Ft.
District 9 Highway	State owned Bldg.	Rent Free	122 Sq. Ft.
District 10 Highway	State owned Bldg.	Rent Free	120 Sq. Ft.
Jefferson City Hwy.	State owned Bldg.	Rent Free	350 Sq. Ft.
Conservation	State owned Bldg.	Rent Free	600 Sq. Ft.
Missouri Health	Rented by Credit Union	N/A	N/A
Employment Security	State Owned Bldg.	Rent Free	725 Sq. Ft.
Southwest Teachers	Owned by Credit Union	N/A	N/A
Lincoln University	State Owned Bldg.	Rent Free	180 Sq. Ft.
Missouri Nat. Guard	Owned by Credit Union	N/A	N/A
Missouri Student Federal Credit Union	State owned Bldg.	\$1876.44 per yr.	45 Sq. Ft.
Northwest Mo. Teachers	State owned Bldg.	\$600 per yr.	360 Sq. Ft.
Mo. State Employees	State owned Bldg.	\$2841.60 per yr.	123 Sq. Ft.
Northeast Missouri	State owned Bldg.	Rent Free	387 Sq. Ft.
Mizzou Credit Union	Rented by Credit Union	N/A	N/A
Central Missouri State	Owned by Credit Union	N/A	N/A
Total State Office Space Provided to Credit Unions Rent Free			3,835 Sq. Ft.

If a cost of \$19.50 per square foot per year were charged for rent and utilities as is done for the Missouri State Employees Credit Union, the total income to the State would be about \$74,782.50.

A complete list of credit unions with the types of state equipment and supplies that are utilized is shown in Table 4.

To estimate the amount of state subsidy of state employee credit unions a list was developed of all credit unions that might have a likelihood of receiving any state support. The Division of Credit Unions provided a list of the major state employee credit unions and additional credit unions were added to that list based on their having received any state support (i.e. teachers' credit unions or credit unions affiliated with state universities) Twenty-seven credit unions were sent questionnaires asking for detailed use of state resources. If responses included a range for an estimate of time, the midpoint of the range was used for purposes of this report; when the response gave a maximum amount of time, the maximum was used.

All 27 credit unions answered the questionnaires. Some of the credit unions reported no affiliation with the state and are not included in the report. Credit Unions in the report include:

Missouri State Employees	Jefferson City Highway
District One Highway	District Two Highway
District Three Highway	District Four Highway
District Five Highway	District Six Highway

District Seven Highway	District Eight Highway
District Nine Highway	District Ten Highway
Conservation	Missouri Health
Employment Security	Southwest Teachers
Lincoln University	Missouri National Guard
Missouri Student Federal	Northwest Missouri Teachers
Mizzou	Missouri State Employees
Central Missouri State	

RECOMMENDATIONS

- 3.A. The General Assembly may wish to consider legislation that would specify the extent that credit unions may be supported by state agency appropriations.
- 3.B. The General Assembly may wish to consider requiring state agencies to disclose all state agency funds that are used for fringe benefits to employees when those fringe benefits are not specifically authorized by state law.

TABLE 4
STATE EMPLOYEE CREDIT UNION SURVEY
Reported State Supplies and Equipment Usage
As of August 20, 1987

Credit Union	Use of State Supplies	Use of State Equipment	Reimbursement to State for Supplies & Equipment	Use of State Telephone	Use of State Postage	Est. Utilities Paid by State
District 1 Highway	Pens/Pencils Typing Paper Typewriter Ribbon	Typewriter Copy Machine	None	Yes	No	\$130 per year
District 2 Highway	Copy Paper	Copy Machine	None	Yes	No	\$180 per year
District 3 Highway	None	Copy Machine Typewriter Desk	None	Yes	No	\$300 per year
District 4 Highway	Paper Pencils Pens	2 Desks 2 Chairs File Cabinets	None	Yes	No	\$653 per year
District 5 Highway	None	Desk Chair	None	Yes	No	\$376 per year
District 6 Highway	Pens Paper Typewriter Ribbon	Desk Typewriter Copy Machine	None	Yes	No	\$320 per year
District 7 Highway	Envelopes	Adding Machine Desk	None	Yes	Yes (10%)	\$220 per year
District 8 Highway	Adding Machine Tape Typewriter Ribbon	Calculator Typewriter Desk Copy Machine	None	Yes	No	No Estimate
District 9 Highway	None	Typewriter Calculator	None	Yes	No	No Estimate

Table 4 (continued)
 STATE EMPLOYEE CREDIT UNION SURVEY
 Reported State Supplies and Equipment Usage
 As of August 20, 1987

Credit Union	Use of State Supplies	Use of State Equipment	Reimbursement to State for Supplies & Equipment	Use of State Telephone	Use of State Postage	Est. Utilities Paid by State
District 10 Highway	Ink pens Note pads Eraser Etc.	Typewriter	None	Yes	No	No Estimate
Jefferson City Highway	Paper Pencils Envelopes Etc.	Calculators Desks File Cabinets Typewriter Chairs Etc.	None	Yes	No	\$900.00
Conservation	Pencils & Pens File Folders Adding Machine Tape Typewriter ribbon Etc.	None	N/A	Yes	No	\$1,500.00
Missouri Health	None	None	N/A	Yes	No	No Estimate
Employment Security	Paper Pens Calculator Tape Etc.	Bookcase 11 Cabinets 7 Chairs 4 Desks 3 Calculators 6 Typewriters 1 Microfilm viewer	None	Yes	No	\$906.00
Southwest Teachers	None	None	N/A	No	No	-0-
Lincoln University	None	None	N/A	Yes	No	\$250.00

Table 4 (continued)
 STATE EMPLOYEE CREDIT UNION SURVEY
 Reported State Supplies and Equipment Usage
 As of August 20, 1987

Credit Union	Use of State Supplies	Use of State Equipment	Reimbursement to State for Supplies & Equipment	Use of State Telephone	Use of State Postage	Est. Utilities Paid by State
Mo. National Guard	None	None	N/A	No	No	-0-
Mo. Student Federal	None	None	N/A	No	No	-0-
Northwest Mo. Teachers	None	2 File Cabinets Table Chairs	None	No	No	-0-
Mo. State Employees	None	None	N/A	No	No	-0-
Northeast Missouri	None	Desk Chairs File Cabinets	None	No	Yes	\$387.00
Mizzou Credit Union	None	No	N/A	No	No	-0-
Central Missouri State	None	No	N/A	No	No	-0-

Since office supplies and equipment are often shared by both the agency and the credit union, no cost estimate is given.

Source: Survey of State Employee Credit Unions

FINDING 4. The State of Missouri pays for virtually all personnel service expense, rent, utilities and use of supplies and equipment of the Department of Highways and Transportation's eleven credit unions.

If all state employees were to receive these same fringe benefits at the same level of support per employee it would cost the State of Missouri an estimated \$2,755,271 for personnel, office space and utilities plus the additional cost of supplies and equipment.

According to information supplied by the Department of Highways and Transportation Credit Unions, there are thirteen department employees who spend at least one-half of their work weeks (twenty hours or more) on credit union business. An additional four employees work over five hours per week on credit union business, and still additional department employees work on credit union business less than five hours per week.

While other state employee credit unions reported that some state employees used a small portion of state time for credit union committee meetings, etc., no state employee worked more than five hours per week on credit union business with the exception of the Department of Highways

and Transportation employees. Based on the number of hours each week reported by the credit unions, there are approximately 13.98 FTE devoted to credit union business in the Department of Highways and Transportation's eleven credit unions. All other credit unions identified as serving state employees reported having a combined FTE count of 1.07 FTE working on credit union business; and no one employee worked over five hours per week on credit union business.

All eleven Department of Highways and Transportation's credit unions are provided free office space. According to the information supplied by the credit unions, the total square footage of Department of Highways and Transportation office space that is devoted to credit union use is 1,943 square feet.

The estimated annual state subsidy for The Department of Highways and Transportation credit unions for personnel, rent and utilities is:

Estimated Salary Costs	-	\$271,414 per year
Estimated Fringe Benefits	-	\$ 79,741 per year
Estimated Rent and Utilities	-	\$ 37,888 per year
Estimated Total	-	\$389,043 per year

An official from the Department of Highways and Transportation indicated that the office space that the credit unions occupy is also used to handle medical and life insurance benefits. The Department has estimated that the space is only used about 70% for credit union purposes. If the rent and utilities costs were adjusted downward by 30%, the estimated rent and utilities costs would be reduced by \$11,366 to \$26,522.

The Department of Highways and Transportation has approximately 6,423 full time employees who may enjoy the benefits of the Departments' credit unions. In addition there are approximately 1,804 employees of the Missouri Highway Patrol who are eligible to participate in those credit unions. Employees who have retired from the Department are also eligible for membership in the credit unions. Approximately 8,227 full time state employees are eligible for membership along with their immediate family members in the Department of Highways and Transportation's Credit Unions. The State of Missouri, therefore, is spending an estimated \$47.29 (not including equipment and supplies) for each employee annually to provide the "fringe benefit" of these state subsidized credit unions.

Estimated state costs for
Highways and Transportation

Credit Unions	\$389,043
---------------------	-----------

Estimated state employees
 eligible for membership in
 Department of Highways and
 Transportation Credit Unions 8,227

State Cost per Employee per Year .. \$ 47.29
 (389,043.43 ÷ 8,227 = 47.29)

According to the Federal Bureau of the Census there were 58,265 full time employees working for the state in FY 1986. If all of these employees were to receive the same level of benefits from the state as the Highway Patrol employees and the Highway and Transportation employees, the cost to the state would be in excess of two million seven hundred fifty five thousand dollars. (47.29 x 58,265 = \$2,755,271)

The Department of Highways & Transportation Credit Unions' membership primarily includes state employees of the Department of Highways and Transportation and the State Highway Patrol and their immediate families. The approximate number of members in the credit unions is as follows:

Table 5

<u>Department of Highways and Transportation Credit Unions</u>	<u>Current Membership</u>
District One Highway	1,197
District Two Highway	1,055
District Three Highway	805
District Four Highway	1,320
District Five Highway	892
District Six Highway	1,844
District Seven Highway	1,155
District Eight Highway	1,029
District Nine Highway	1,057
District Ten Highway	889
Jefferson City Highway	<u>3,624</u>
Total Credit Union Membership in Department Credit Unions	14,872

The use of the subsidized financial services by credit union members is significant. The Jefferson City Highways and Transportation Credit Union which received the greatest subsidy from the state has a rate of return of shares that is higher than the Missouri State Employees' Credit Union which receives no state subsidy. The Jefferson City Department of Highway and Transportation Credit Union which offers the higher dividends has the highest amount of savings per member of any credit union in the State (as shown on Table 6).

Table 6

Ten Largest Missouri Credit Unions by Savings per Member
June 30, 1986

Jefferson City Highway	\$13,765
St. Louis Newspaper Carriers	10,691
TWA	9,981
Ozark Air Lines	6,114
K.C. Policemen's	5,929
State Farm Missouri-Kansas	5,407
CSD-1	4,574
First Community	4,567
Springfield Teachers	4,388
Raytown Teachers	4,316

Source: Callahans Credit Union Directory
1987 Edition; Callahan and Associates

Subsidizing the Department of Highways and Transportation credit unions results in added benefits to those state employees who are allowed to join their credit unions while other state employees receive no such benefits.

A telephone survey of current dividend and interest charges indicates that generally the Highways and Transportation Department credit unions are able to provide greater financial benefits to members for the

services included in the survey. Table 7 is a comparison of selected dividend and loan rates using rates as of October 9, 1987, or the most recent dividend rate declared by the credit unions.

RECOMMENDATIONS

- 4.A. The Department of Highway and Transportation should reconsider its use of state personnel to fund the operation of its credit unions. While some other state agencies allow employees to spend a small portion of their time to work on credit union committees etc.; the Department of Highways and Transportation is the only agency in which employees work over five hours a week on credit union business. With the absence of statutory guidelines, the use of state employees to provide this fringe benefit may not be illegal, but presents an appearance of state funds being used inappropriately.
- 4.B. The General Assembly may wish to consider legislation that would restrict the use of state personnel and agency resources to support state employee credit unions or provide these same fringe benefits to all state employees.

TELEPHONE SURVEY OF SELECTED DIVIDEND AND INTEREST RATES
Department of Highways and Transportation Credit Unions
and Missouri State Employee Credit Union

Credit Union	Dividend on Share	Interest on Signature Loan	Interest on New Car Loan	Interest on Used Car Loan	Comments
Mo. State Employees Credit Union	6.0%	15.0%	9.5% to 10.0%	10.25% to 11.5%	Car loan interest rate varies depending upon length of loan
Jefferson City Hwy.	6.0% to 6.6%	14.0%	8.9% to 9.5%	11.5%	Car loan interest rate varies depending upon length of loan Dividend on Shares depends on amount deposited
Dist. 1 Highway	5.5% to 6.5%	14.0%	8.9%	9.9%	Dividend on shares depends on amount deposited
Dist. 2 Highway	6.5%	12.0%	10.0%	12.0%	
Dist. 3 Highway	6.0%	12.0%	9.5%	9.5%	
Dist. 4 Highway	5.75%	12.0%	8.0%	10.0%	
Dist. 5 Highway	6.75%	14.0%	9.0% to 10.0%	12.0%	Car loan interest rate varies depending upon length of loan
Dist. 6 Highway	6.5%	15.0%	11.4%	12.6%	
Dist. 7 Highway	7.25%	13.0%	9.5%	11.0%	
Dist. 8 Highway	6.5% to 7.25%	12.0%	10.0%	12.0%	Dividend on shares depends on the amount deposited
Dist. 9 Highway	7.0%	10.0%	10.0%	10.0%	
Dist. 10 Highway	6.75%	14.5%	10.0%	11.5%	

FINDING 5. There are no clear guidelines for state agencies concerning agency support of employee credit unions.

The lack of clear guidelines that outline the extent to which state agencies may subsidize state employee credit unions has resulted in a double standard for state workers. Some receive state paid credit union services while others do not. Without specific legislative direction, the use of state funds to subsidize credit unions could increase.

In several audits by the State Auditor since 1978, that office has reported the use of State funds to support credit unions that serve state agency employees. The State Auditor has contended that state subsidies of those credit unions "appear to be a grant of public money or property to a private person, association or corporation as prohibited by Article III, Section 38(a) of the Missouri Constitution." The State Auditor's audits have resulted in a reduction of state subsidies to certain credit unions because some agencies moved to comply, or partially comply, with those audit recommendations.

The Department of Highways and Transportation has continued to subsidize eleven credit unions and stated in its audit response to the State Auditor that there are no

statutory restrictions that prohibit the use of state funds in this manner. Further, that Department stated that it considers the support of the credit unions as a worthwhile fringe benefit that aids in recruitment efforts and is instrumental in reducing employee turnover.

To resolve the dispute the auditor's office requested an Attorney General's opinion in May, 1986. The specific opinion question was:

Is it legally permissible for the Missouri Department of Highway and Transportation to provide free office space to Department of Highway and Transportation Credit Unions and to pay employees whose primary duties are to conduct the business of Department of Highway and Transportation Credit Unions?

The Attorney General's response to the auditor dated July 29, 1986, follows:

The information attached to your opinion request indicates that your office has already taken a position on the legality of the Department providing free office space to the credit unions and paying employees whose primary duties are to conduct the business of the credit unions. Likewise, the information attached includes the response of the Department on this question. An opinion by this office is unlikely to resolve the controversy.

In 1978 the credit union which serves the Department of Health was using state funds to pay for the personnel who ran that credit union. As a direct result of an audit, the agency no longer pays those costs, and the credit union personnel are paid from credit union funds. This inconsistent application of what various agencies perceive as appropriate demonstrates the need for clarification. An

informal opinion by a staff attorney for the Committee on Legislative Research concluded the following:

The Department of Highways and Transportation is under the control of the Missouri State Highways and Transportation Commission as provided by section 226.005, RSMo 1986. The commission is vested by section 226.020, RSMo 1986, with all powers necessary and proper to carry out fully and effectively the purposes of chapters 226 and 227, RSMo. These chapters deal with the establishment of the state highway system.

The grant of power contained in section 226.020, RSMo 1986, is plenary, and no provision of law stands to limit its exercise in this manner.

RECOMMENDATIONS

5.A. The General Assembly may wish to consider enacting legislation that would clarify the amount of state subsidy that is allowable for state agency and institution credit unions. This would include guidelines for state personnel, state office space, equipment and supplies, and other valuable considerations. Without such guidelines the use of state resources to subsidize credit unions will continue in some state agencies while other agencies will consider it inappropriate. This results in a lack of uniformity of fringe benefits received by state workers.

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Credit Union Share Insurance

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To what extent are state employees' credit union shares insured or otherwise protected through a credit union share insurance or guaranty corporation?

Missouri currently has a dual insurance system for state-chartered credit unions. State-chartered credit unions may be insured by the federally-administered insurance fund (the National Credit Union Share Insurance Fund or NCUSIF) or by either of two other share insurance funds (Mutual Guaranty Corporation which is based in Tennessee or the Ohio-based National Deposit Guaranty Corporation) which have been approved by the Missouri Division of Credit Unions (DCU)- the state agency charged with regulation of state-chartered credit unions.

With bank failures occurring more frequently than at any time since the Great Depression, one question which many savers are asking themselves is, "How well insured is the financial institution to which I have entrusted my money?" There are also many insolvent savings and loans. The Federal Savings and Loan Insurance Corporation allowed technically insolvent S & L's to continue operating because FSLIC could not afford to pay off all of the insured accounts in those S & L's. Under the circumstances, it is impossible for questions about the adequacy of credit union deposit insurance not to be raised.

All credit unions which operate in Missouri must insure savings. Federally-chartered credit unions must, by federal law, be members of NCUSIF.

DCU has the legal authority to approve other guaranty corporations to operate in Missouri, but no others have requested permission to insure accounts in Missouri. State law also makes provisions for state-chartered credit unions to create a Missouri-based deposit guaranty corporation, but insofar as Oversight Division could determine there are no plans to do so.

The results of the Oversight Division's investigation into the three guaranty corporations which currently operate in Missouri follow. Oversight Division's survey of state-chartered credit unions (see appendix B for the text of the survey) revealed that there are some fairly widespread misconceptions about deposit guaranty corporations. Some of the observations which follow attempt to address misconceptions by comparing the three guaranty corporations which operate in Missouri. When possible and applicable, the existing guaranty corporations have been compared to a hypothetical Missouri-based guaranty corporation set up under current state law.

All insurers which insure deposits in Missouri credit unions are capitalized in the same manner.

All insurance funds are made up of initial deposits by member credit unions, annual premiums by member credit unions, and retained earnings on investments made by the insurance funds with the deposits and premiums paid.

The initial deposit and the annual premiums are the same for members of the National Credit Union Share Insurance Fund (NCUSIF), the Mutual Guaranty Corporation's (MGC) share insurance fund, and the National Deposit Guaranty Corporation's (NDGC) share insurance fund.

MGC and NDGC may assess special premiums if the insurance funds need additional capital. NCUSIF may not assess special premiums. (See Table 8.)

The ratio of insurance fund equity to insured savings is similar for each of the funds.

As might be expected given that the initial deposits and annual premiums are the same for all three Funds, their ratios of fund equity to insured funds are similar. (See Table 8.)

The National Credit Union Administration (NCUA), which administers the NCUSIF, has set a ratio of \$1.30 of equity (deposits plus premiums plus retained earnings) per \$100 of insured funds as its "normal" operating level. This is the maximum level it may set by law. The by-laws of MGC provide for refunds to members if the ratio of equity to insured funds exceeds two percent. (If a Missouri-based Guaranty Corporation were in existence, a ratio of greater than two percent would by law trigger refunds.)

Reporting requirements and monitoring of member credit unions is similar for all Funds operating in Missouri.

All insurance funds require periodic reports from member credit unions. All rate the financial health of member credit unions based on "key" ratios derived from the reports. The purpose of tracking the ratios is to spot financially weak or weakening credit unions so that the fund may take action to strengthen the credit union or to set aside money for a prospective pay out or both.

Table 8
Comparison of Credit Union Share Insurance Corporations

	Mutual Guaranty Corporation	National Credit Union Share Insurance Fund	National Deposit Guaranty Corporation	Missouri-based Guaranty Corporation	Comments
Capitalization	1% of insured savings plus retained earnings	1% of insured shares and deposits plus retained earnings	1% of insured shares and deposits plus retained earnings	\$5 per credit union member or 1/2% of outstanding shares and deposits of the credit union, whichever is greater.	Amount is adjusted yearly
Annual Premium	1/12% of savings capital	1/12% of shares and deposits	Up to 1/12% of shares and deposits	Up to 1/12% of share and deposit capital	May be waived if directors determine that the Fund is sufficiently capitalized.
Special Premium	Up to 1/12%	None allowed	Up to 1/12%	Allowed with approved of Director of Division of Credit Unions.	Under pre-1984 law NCUSIF was allowed to assess special premiums and did so in 1981 and 1982. MGC & NDGC have never imposed special premiums.
Coverage per Insured Account	\$100,000	\$100,000	No limit	Up to \$50,000	
Number of Insured Credit Union (As of 12/31/86)	384 in five states and branches in Texas and South Carolina	14,689 in fifty states, the District of Columbia, Puerto Rico, Guam and the U.S. Virgin Islands	420 in eleven states	NA	All federally chartered credit unions (8,755) must be members of the NCUSIF.
Amount of Insured Savings (As of 12/31/86)	\$1,255,000,000	\$133,300,000,000	\$4,485,000,000	NA	Federally chartered credit unions account for \$87,900,000,000 of NCUSIF insured savings.
Equity to Insured Deposits Percentage	1.41% As of 12/31/86	1.24% As of 6/30/86	1.41% As of 12/31/86	NA	NCUA has set 1.3% as a "normal" operating level. If the ratio exceeds 1.3% NCUA will refund money to insured credit unions.

Table 8 (continued)

	Mutual Guaranty Corporation	National Credit Union Share Insurance Fund	National Deposit Guaranty Corporation	Missouri-based Guaranty Corporation	Comments
History	No insured deposits have ever been lost.	No insured deposits have ever been lost.	No insured deposits have ever been lost.	NA	NCUSIF did have to be recapitalized in 1985. The ratio of NCUSIF assets to insured savings was .3% (30 cents in assets for every \$100 insured) in 1984.
Reporting Requirements	Semi-annually unless the credit union is being monitored, then monthly.	At least annually. To be set by NCUA board. Semi-annually unless credit union is being monitored, then monthly.	Monthly	NA	
Monitoring	27 ratios of financial strength in general areas of liquidity, profitability, and solvency.	Ratios of financial in areas of liquidity, solvency and profitability.	21 ratios of financial strength in areas of liquidity profitability and solvency.	NA	MGC and NDGC revise "key" ratios periodically. Current "key" ratios are less than two years old. All use key ratios to identify weak unions early.
Comparison Basis	Peer comparison and ratio trend. Credit unions which fall below average are monitored.	Peer comparisons.	"Danger" levels and ratio trends. If a credit union's ratio falls below a "danger" level, it is monitored	NA	All would put a credit union on the "monitor" list if a "bad" report from state regulators is received.
Lines of Credit	\$25,000,000 and reinsurance	\$100,000,000 to Treasury. Up to \$500,000,000 through the Central Liquidity Facility.	\$100,000,000 and reinsurance	NA	Individual credit unions may join the Central Liquidity Facility and access its funds. Unions do not have to be members of NCUSIF to join the CLF.

NCUSIF must receive reports at least annually from all members, MGC requires semi-annual reports, and NDGC requires monthly reports from all members. NCUSIF is required to, if possible, use the same reports state-chartered members submit to state regulatory agencies. (See Table 8.)

NCUSIF and MGC base their decisions on whether to more closely monitor member credit unions on how member financial ratios compare to those of their peers (that is, other credit unions of similar size).

MGC looks at the trend of each member credit union's ratios. If a credit union's financial ratios are good but show a negative trend over a period of time, MGC might send a representative to the credit union to see what the problems might be.

NDGC has a slightly different approach. It has certain minimum desired levels for each ratio and more closely monitors credit unions whose financial ratios slip below those levels. NDGC also watches trends for each credit union and will take a closer look at a credit union which is not, by definition, in financial difficulty but which does have a financial condition which has deteriorated over time.

All insurers have stated that they will more closely monitor a credit union which has been unfavorably cited by state regulators.

All insurers have lines of credit which supplement their capitalization.

NCUSIF may borrow from either the United States Treasury (up to \$100,000,000) or from the Central Liquidity Facility (which has a permanent \$100,000,000 line of credit to the Treasury which could be increased by Congressional appropriation to up to \$500,000,000). NDGC has a \$100,000,000 line of credit which it guarantees by leaving a deposit with the prospective creditor. MGC has a \$25,000,000 line of credit which is similarly guaranteed. NDGC also has a \$12,000,000 line of reinsurance in effect.

The lines of credit would be tapped only if deposits, premiums, and retained capital were insufficient to cover claims against the insurance fund. Thus far the credit lines have not been used.

NCUSIF insured \$133.3 billion as of December 31, 1986, NDGC \$4.5 billion, and MGC \$1.3 billion.

NCUSIF and MGC insure up to \$100,000 per insured account, NDGC insures the full amount of insured accounts.
(See Table 8.)

There are two forms of insurance risk. One is the failure of an insurance guaranty company for reasons which do not affect Missouri credit unions and the other is failure of an insurance guaranty company to pay depositors of failed Missouri credit unions.

The first case would come about because the insurance fund could not cover insured deposits of failed credit unions in places other than Missouri. In this case, the effects would be: 1) the Missouri credit unions would, at least temporarily, lose the one percent of insured deposits which helped make up the insurance fund, and 2) the Missouri

credit unions would have to get other share insurance (because state law requires state-chartered credit unions to be insured). All state-chartered credit unions could absorb the loss because the state requires reserves of more than one percent. If the credit union is otherwise sound, it should be able to qualify for insurance from another source. In this case, the risk is to the credit union not the depositor.

The second type of risk is to depositors. Both insurance guaranty funds and Missouri credit unions have to fail before this risk becomes real. All of the credit union share insurance funds operating in Missouri have always paid off all insured deposits. The insurance funds are all credit-union supported and the level of support is identical. All have supplemental lines of credit in case the amount of claims begins to approach the funds capitalization level. NCUSIF is no longer allowed to assess special premiums. It did have to do so under an earlier law, but when NCUSIF was recapitalized Congress removed its right to charge special premiums. MGC and NDGC may do so. Neither company has had to assess special premiums. (See Table 8.)

NCUA acts as regulator as well as insurer.

The National Credit Union Administration is the regulator of federally-chartered credit unions as well as the administrator of the National Credit Union Share Insurance Fund (NCUSIF) and of the Central Liquidity Facility. Although both cooperate with DCU (too closely says one respondent to our survey of credit union officials), neither Mutual Guaranty Corporation nor National Deposit Guaranty Corporation has a de jure (legal) regulatory function. This

could make a difference in a worst case situation: if the insurance funds are faced with insolvency.

When the Federal Savings and Loan Insurance Corporation (FSLIC) was faced with insolvency (that is, there was more insured money in insolvent savings and loans than there was insurance fund money to pay insured deposits), the FSLIC, as regulator of federally-chartered savings and loans, simply allowed the insolvent S & L's to continue operating. This action relieved the FSLIC from having to pay insurance and Congress eventually devised and passed a plan to recapitalize the FSLIC. (It should be noted that the strategy of allowing insolvent institutions to continue operating caused an increased financial burden on the FSLIC because the insolvent savings and loans for the most part went ever more deeply in debt and it is still not clear whether the recapitalization plan will be sufficient to restore FSLIC's stability.)

While all credit union insurance funds are member-supported, only NCUSIF is operated by the federal government and only NCUSIF is administered by the same agency which regulates some credit unions. This means that if a credit union industry crisis occurs NCUSIF has two perceived advantages over other share insurance: 1) the option of letting insolvent federally-chartered credit unions continue to operate, thus removing the need for some payments (and leaving insurance funds available for paying off depositors of state-chartered, federally-insured credit unions), and 2) the belief that Congress will "bail-out" the fund if it is overextended. As of December 31, 1986, there were 278 state-chartered credit unions active in Missouri. Eighty-three percent (232) of these credit unions were members of NCUSIF and seventeen percent (46) were members of MGC or NDGC.

(NOTE: NCUSIF had an equity to insured funds ratio of less than thirty cents per one hundred dollars -.3%-as recently as 1984. Congress enacted a recapitalization plan before there was an insurance fund crisis. The recapitalization involved changes in the deposit and premium structure of NCUSIF. There were no direct costs to taxpayers. NDGC and MGC have maintained an equity to insured funds ratio of over 1% for the entire decade.)

MGC and NDGC are annually audited by outside auditors for compliance with National Association of Share Insurance Corporations standards and examined by the state agencies which regulate credit unions in each state where the companies insure credit union accounts.

Both National Deposit Guaranty Corporation and Mutual Guaranty Corporation are members of the National Association of Share Insurance Corporations. The NASIC has implemented a set of standards for share insurance corporations. One of the standards (see appendix F for the entire text of the standards) is that members be audited yearly for compliance with the standards by an outside committee. The standards were implemented in 1986. Both companies have been audited for compliance with standards and have been found to be in compliance. Both companies are also examined annually by the state agency responsible for regulating credit unions in each state in which the companies are authorized to provide share insurance.

AGENCY RESPONSE



State of Missouri

John Ashcroft, Governor

Department of Economic Development

Carl M. Koupal, Jr., Director

Division of Credit Unions

Sandra K. Branson, Director

P.O. Box 1607

Jefferson City, Missouri 65102

Telephone 314/751-3419

November 13, 1987

Natalie Tackett, Director
Oversight Division
Committee on Legislative Research
State Capitol Building, Rm. 132
Jefferson City, MO 65101

Dear Ms. Tackett:

With regard to the audit performed by the Committee on Legislative Research, Oversight Division, please find our responses as follows:

Finding 1: The Division of Credit Unions has made no attempt to comply with state statutes requiring an equitable distribution of employees based on political affiliation.

Response: While it is our intention to comply with Missouri Statutes, Section 370.100.7, it is also our statutory obligation to the citizens of Missouri to hire the most qualified applicants available at the time of hiring.

As we recognize it is contained in the Missouri Statutes and we will comply with the provisions contained therein, we would support the consideration of the General Assembly to delete this section of the Missouri Credit Union Law.

Finding 2: Complaints against credit unions filed with the Division of Credit Unions are generally investigated by telephone. There was no evidence available to the Oversight Division that serious complaints against credit unions are investigated with more than telephone calls to the credit unions that are being investigated.

Response: Although it is recognized the Oversight Division was not allowed access to the consumer complaint files, the Division of Credit Unions feel our investigations have been more thorough than the audit revealed. Additional documentation from both parties, further analysis and communication, etc. is required until we believe the complaint has been mutually resolved.

Ms. Tackett
November 13, 1987
Page 2

We acknowledge the need for these procedures to be in formal written documentation and will implement those procedures and policies in the very near future. It is appreciated that this item was brought to our attention.

This office does not address the issues contained in findings 3, 4 & 5 as listed below, as it is not our statutory obligation to do so.

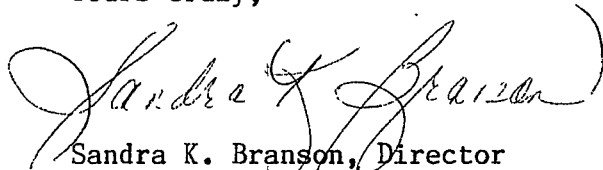
Finding 3: The State of Missouri is subsidizing certain state employee credit unions by providing state paid personnel, office space, equipment and supplies to support those credit union offices. Other state employee credit unions receive little or no state subsidy.

Finding 4: The State of Missouri pays for virtually all personnel, service expense, utilities and use of supplies and equipment of the Department of Highway and Transportation's eleven credit unions.

Finding 5: There are no clear guidelines for state agencies concerning agency support of employee credit unions.

We appreciate the thorough, professional and courteous manner in which your staff conducted the audit of this Division.

Yours truly,



Sandra K. Branson, Director
DIVISION OF CREDIT UNIONS

SKB:lg

c: Carl Koupal
Tom Sullivan

A P P E N D I X A

**RESPONSE FROM DIVISION OF CREDIT UNIONS
ON REQUEST TO REVIEW EXAMINATION
REPORTS AND OTHER SUPPORT DOCUMENTS**



State of Missouri

John Ashcroft, Governor

Department of Economic Development

Carl M. Koupal, Jr., Director

Division of Credit Unions
P.O. Box 1607
Jefferson City, Missouri 65102
Telephone 314/751-3419

Sandra K. Branson, Director

MEMORANDUM

TO: Natalie Tackett
Oversight Division
Committee on Legislative Research

FROM: Sandra K. Branson, Director *SKB*
Division of Credit Unions

SUBJECT: Credit Union Audit

DATE: August 3, 1987

I understand that you have talked to Irven Friedhoff of the Division of Finance who has been providing me with some legal assistance concerning your request for information. Your memo of July 30, 1987, has placed us in a difficult position due to our responsibility to maintain the confidentiality of credit union examination reports and other documents.

As you know, up until 1974, the law placed the supervision of credit unions in an official located in the Division of Finance. The State Reorganization Act transferred the functions of the credit union supervisor to a separate division created with the Department of Consumer Affairs, Regulation and Licensing. While credit unions were supervised with the Division of Finance, the duty of confidentiality imposed by Section 361.070 and 361.080 clearly applied to all information concerning credit unions.

The reorganization Act, Section 620.010, RSMo 1986, transferred the supervision of credit unions into the Division of Credit Unions by a "Type II Transfer". The result was that all of the duties that reposed in the Supervisor of Credit Unions in the Division of Finance were now the responsibility of the Director of the Division of Credit Unions. Those duties included the duty to maintain the confidentiality of examination report and other documents. Unless exceptions can be found in other laws, I believe that I am bound by Sections 361.070 and 361.080.

N. Tackett
August 3, 1987
Page 2

It is my understanding that your audit is conducted under Section 23.170, which provides that all of the records of an agency, "unless otherwise expressly declared by law to be confidential, may be inspected by the Oversight Division staff while conducting the audit". Accordingly, I believe your own statute recognized the public policy goal expressed elsewhere that certain records should be confidential.

All of this aside, I would hope that there would be some way that we could cooperate to help you perform an effective audit without compromising our duties with respect to our records.

With respect to your request:

1. I attach a list of credit unions regulated by this office. Perhaps we could provide you with a small sample of credit union records, selected at random, with names and addresses deleted so as to avoid disclosure of confidential information. Unfortunately, there are a large number of credit unions regulated by this office and the paperwork respecting each credit union can be voluminous. I would hope, therefore, that if this proposal is acceptable to you, that you could keep the sample relatively small, say you pick 20 names and we could provide five to eight.
2. See item #1.
3. While we cannot disclose actual examination files, we will be happy to provide their annual reports.
4. This rule and regulation is not applicable at this time, as liquidated credit unions are all insured, and members are in receipt of their monies within a few weeks period of time. Lengthy liquidation procedures are not presently utilized.
5. There have only been 2 conversions during the past 10-15 years, but as this is a matter of public record, this documentation could be made available.
6. These are highly confidential.
7. Available, as these are filed with the office of the Secretary of State.
8. While we cannot disclose the complaints, we would be happy to provide you with a list of names and addresses.

As stated above, we will be happy to furnish the documents we feel are not bound by a matter of confidence.

A P P E N D I X B

**QUESTIONNAIRE SENT TO ALL STATE
CHARTERED CREDIT UNIONS WITH STATE TOTALS**

STATE CHARTERED CREDIT UNION QUESTIONNAIRE

 Individual responses to this questionnaire will be
 confidential.

Name State Totals Title _____ Date _____

Name of Credit Union _____

- A. How often in the last two years has the Division of Credit Unions (DCU) examined your credit union? AVG 2.015
- B. When was the Division of Credit Union's last inspection of your credit union?
1. Within the last three months 46
 2. Within the last six months 47
 3. Within the last year 93
 4. Within the last eighteen months 14
 5. Within the last two years 0
 6. Don't know 0
 7. None of the above 0
- C. During your most recent examination, how many DCU examiners were working on the examination?
1. One 116
 2. Two 58
 3. Three 14
 4. Four 12
 5. More than four 1
 6. Don't remember _____
- D. How many days were the DCU examiners at the credit union during their examination? AVG 2.89 DAYS
- E. Did the examiners identify any violations or problems as a result of their examination?
1. Yes 153
 2. No 44

F. If yes, how soon after the inspection were you informed of the violations or problems?

1. Immediately 99
2. Within 2 weeks 28
3. Within 1 month 26
4. Within 2 months 5
5. Within 6 months 5
6. Within one year 2

Were you given enough information to understand the problem and correct the problem?

1. Yes 162
2. No 4

Has your credit union received any penalties as a result of the examination?

1. Yes 3
2. No 188

If yes, what were they?

G. Did DCU return to verify that the problem was corrected?

1. Yes 54
2. No 103

H. Do you feel that DCU's examinations and enforcement activities are productive or nonproductive with regard to ensuring the financial stability of credit unions?

1. Productive 179
2. Non-productive 10

Explain

I. In your opinion, is DCU's handling of examinations -

1. Satisfactory 184
2. Unsatisfactory 10

Explain

- J. Are your members' shares insured federally or privately?
- K. Did you consider the alternative type of insurance? (Have you switched from one type to the other within the last three years? If yes, why?)
- L. Why did you decide to be privately or federally insured instead of the alternative?
- M. How often are you required to send financial reports to your insurer?
- N. Do you ever ask your insurer for advice about any aspect of credit union operations? (Does your insurer encourage such inquiries? Does your insurer allow such inquiries?)
- O. Are you satisfied with your insurer, now? Briefly, why or why not?

A P P E N D I X C

QUESTIONNAIRE SENT TO STATE EMPLOYEE
CREDIT UNIONS REGARDING STATE COSTS

3

2

1

1

1

1

1

STATE CREDIT UNION SURVEY - STATE COSTS

Name _____ Title _____ Date _____

Name of Credit Union _____

1. How many members belong to your credit union? _____

2. What are the qualifications for membership into your credit union?

3. Do any state employees work on credit union business during regular working hours of the state?

a) yes _____

b) no _____

4. If yes, please list the state employees* along with an estimate of the number of hours per week these employees work on credit union business (including state employees that work on a volunteer basis for a credit union board or committee).

<u>State Position or Employee</u>	<u>Estimated hours per week working on credit union business</u>
-----------------------------------	--

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

Use the back of this sheet if more room is needed.

* For purposes of this survey, state employees include any employees paid through any state appropriation.

5. Does your credit union reimburse the state for the time state employees work on credit union business during working hours?

a) yes _____
b) no _____

If yes, explain how this is done.

6. Is your credit union office located in a

a. State owned building _____
b. Building rented by the state _____
c. Building owned by the credit union _____
d. Building rented by the credit union _____
e. Other _____

7. What is the approximate size in square feet of your credit union office? _____

8. If your credit union office is located in a state owned or a state rented building, does the credit union pay rent for the use of the space?

a. Yes _____
b. No _____

9. If yes, please indicate the approximate amount of the rental payment paid to the state each year _____

10. Has your credit union used any supplies in the last two years that were purchased by the State of Missouri?

a) Yes _____
b) No _____

11. Please list the types of state owned supplies that were used by your credit union? If possible, please estimate the value of these supplies.
12. Does your credit union reimburse the state for these supplies?
- a) Yes _____
b) No _____
13. Has any of the equipment used for credit union business in the last two years owned by the State of Missouri?
- a) Yes _____
b) No _____
- If yes, please list the state owned equipment that has been used and if possible estimate the value of that equipment.
14. Is postage provided to your credit union by the state without reimbursement to the state?
- a) Yes _____
b) No _____
15. Are telephone services provided to your credit union by the state without reimbursement to the state?
- a) Yes _____
b) No _____
16. Does your credit union reimburse the state for the use of state owned equipment?
- a) Yes _____
b) No _____
17. Does your credit union have access to legal counsel that is employed by the state?
- a) Yes _____
b) No _____

18. Are the credit union's utilities paid by the State of Missouri?

- a) Yes _____
b) No _____

If yes, please estimate the yearly cost to the state for utilities _____

19. Please list any credit union board or committee whose members are comprised totally or partly by state employees.

1. _____
2. _____
3. _____
4. _____

Do these committees meet during regular working hours?

- Yes _____
No _____

20. Please list any other expenses in support of your credit union paid by the State of Missouri that was not included in this survey.

1. _____
2. _____
3. _____
4. _____

21. Please use this space to make comments or clarify your answers.

A P P E N D I X D

**DIRECTORY LISTING OF ALL MISSOURI
CREDIT UNIONS TAKEN FROM CALLAHAN'S
CREDIT UNION DIRECTORY, 1987 EDITION**

STATE: MISSOURI

Ch. #	CU Name	Address	City	Zip	CEO	Telephone	Total Assets	Total Liabilities	Total Invest	Total Capital	Members	% Chg
5282	LIAHOMA	2400 FREDERICK AVE #201	ST. JOSEPH	64506	HANCOCK, GERALD	816-233-1312	1,249,773	731,305	569,433	107,854	472	11.8
4346	LIBERTY	104 M. KANSAS	LIBERTY	64068	BELL, LOUISE D.	816-781-7909	327,766	216,762	78,188	63,363	351	24.2
5284	LINCOLN ENPL.	4010 GOODFELLOW BLVD	ST. LOUIS	63120	WESTERMAUS, CARL	314-679-4206	887,523	259,407	614,303	95,922	503	-5.9
4417	LINCOLN UNIVERSITY	820 CHESTNUT ST	JEFFERSON CI	65101	ENLOW, GEORGE W.	314-751-2325	258,856	155,944	67,747	35,134	289	-2.9
4147	LOURDES-ST REGIS	7043 BLUE RIDGE	RAYMOND	64133	FULTON, LORETTA	816-356-8757	2,430,341	2,016,829	1,569,543	531,508	2,779	23.9
4708	LOVERS LANE	P.O. BOX 247	ST. JOSEPH	64502	REDER, KENNETH	816-238-5667	316,646	244,473	69,520	73,513	299	8.8
2257	M S E S	505 WASHINGTON AVE	SAINT LOUIS	63101	HACKAY, JAMES C.	314-231-7348	206,248	92,939	103,664	23,767	284	2.8
4082	M-K-T GENERAL OFFICE EN	420 GIMLIN RD	ST LOUIS	63147	HIX, GEORGE R.	314-388-2830	145,914	135,828	11,154	21,844	133	9.1
1319	M. N. C. ENPL.	4949 ROCKHILL RD	KANSAS CITY	64110	BARNARD, NEIL	816-276-8301	1,008,431	649,105	332,811	49,101	981	15.3
5285	M.M.A.	10199 CORPORATE SQUARE	ST. LOUIS	63132	MOFFSKER, JERI	314-997-3130	989,967	707,980	243,309	33,035	851	35.8
1840	METRO	447 S. CAMPBELL	SPRINGFIELD	65804	STONER, KATHIE	417-896-9654	12,704,045	8,240,099	3,785,848	774,299	5,354	18.2
2975	METRO ST LOUIS WOMEN'S	1120 DOLMAN	ST. LOUIS	63104	STOCKTON, CHERYL	314-645-7424	56,402	51,673	1,099	4,004	196	-10.4
5021	MFA ENPL.	201 S SEVENTH ST	COLUMBIA	65201	LOETHEN, JIM	314-876-5307	3,044,593	1,952,221	1,048,437	169,216	2,123	20.0
3389	MID-AMERICA	815 TAMPA	SPRINGFIELD	65802	STRAUD, CATHY	417-842-0471	16,618,457	11,284,587	4,592,285	790,575	8,762	15.2
4205	MID-MISSOURI REFRACTORI	109 E. WASHINGTON	YANDALIA	63382	GAM, JOE	314-594-6729	693,414	408,684	263,443	27,693	624	13.4
3835	MIDWEST	9306 LENIS & CLARK	ST. LOUIS	63134	CAMPBELL, BURKE	314-388-2500	11,126,694	5,077,640	5,799,251	474,701	6,089	-3.3
4718	MISSOURI BAPTIST	400 E. HIGH ST	JEFFERSON CI	65101	DAKE, DOUBRES	314-635-7931	2,596,341	1,840,832	732,950	191,888	1,227	32.4
4036	MISSOURI CENTRAL	8333 EAST HIGHWAY 390	KANSAS CITY	64133	BECKER, R. H.	816-358-1500	10,390,238	8,544,268	7,483,436	1,281,996	16,716	14.7
5284	MISSOURI COUNCIL OF THE	2643 BIG BEND BLVD	ST LOUIS	63143	ALDRE, ZADA	314-992-4840	349,214	131,485	27,940	27,940	257	-0.3
5035	MISSOURI ELECTRIC COOPE	2722 EAST MCCARTY	JEFFERSON CI	65101	KENNON, MARTHA	314-634-2595	4,109,237	2,848,681	1,135,749	182,893	2,595	12.5
4623	MISSOURI HEALTH	1730 E. ELM ST.	JEFFERSON CI	65101	PECHER, PULLY	314-751-4304	5,221,048	2,260,529	2,930,877	182,289	2,052	19.5
4283	MISSOURI NATIONAL GUARD	1715 INDUSTRIAL DR	JEFFERSON CI	65101	BORCHELT, DONALD A.	314-635-4184	11,566,183	3,215,004	3,215,965	940,897	6,703	10.9
2351	MISSOURI PACIFIC	210 N. 19TH ST., #1133	ST. LOUIS	63103	SIMON, PAUL JR.	314-622-2200	5,023,874	3,295,461	1,122,448	256,069	4,867	-16.4
3093	MISSOURI ROLLING MILLS	170 PINEDALE DR.	ST CHARLES	63301	STARKE, BRUCE	314-947-0457	100,450	89,479	16,955	26,592	141	-36.0
5325	MISSOURI STATE ENPL.	515 EAST MCCARTY	JEFFERSON CI	65101	FENHEMOLD, BOB	314-751-3883	20,281,701	12,533,042	10,244,824	970,760	15,865	27.3
4153	MISSOURI STUDENT	230 BRADY COMMONS	COLUMBIA	65211	AMERY, JOHN	314-443-8442	185,840	28,652	114,327	4,328	797	68.9
4711	MISSOURI UNITED METHODIST	712 NE 46TH ST.	KANSAS CITY	64118	NIKDER, GLADYS	816-452-1195	254,322	220,328	27,659	29,455	336	-3.7
5456	MISSOURI ENPL.	P.O. BOX 1795	COLUMBIA	65205	JAMES, HAROLD	314-874-1477	18,841,831	13,460,495	3,048,577	922,056	11,209	25.4
3333	MOBAY K. C.	8400 HANTHORNE RD.	KANSAS CITY	64120	KLOTZ, MAX	816-242-2123	2,584,627	1,448,082	962,505	123,332	1,360	23.0
1459	MOP FOUR SQUARE	4226 GARDNER	KANSAS CITY	64120	SCHUMACHER, ART	816-483-4574	3,306,765	2,410,244	867,107	115,053	1,977	18.3
3998	MPT	425 VOLKER BLVD	KANSAS CITY	64110	DAVENPORT, DOLORES	816-753-7600	642,914	472,744	147,278	35,139	457	26.3
0435	MALCO	1540 LEMAY FERRY RD	ST. LOUIS	63125	KIRKIN, RICHARD G.	314-544-1818	5,762,200	3,577,634	1,835,767	426,506	4,979	7.4
4800	MATIVITY BVM	10017 EAST 34TH TERRACE	INDEPENDENCE	64052	BEEMONT, BILL R.	816-833-4190	370,234	273,529	69,309	33,196	675	9.5
4876	MEND	OLD MAY. 61 NORTH	PALMYRA	63461	MUSHOLT, RALPH A.	314-769-2178	203,936	167,278	21,222	13,295	141	11.3
4859	MESHSO SCHOOL ENPL.	511 MESHSO BLVD.	MESHSO	64850	HATFIELD, CLIONE	417-451-5045	634,702	370,248	292,718	47,737	258	35.1
4020	MES AND LEADERS PRESS	651 BUDVILLE	SPRINGFIELD	65801	HANEY, ELYNIA R.	417-836-1203	1,169,982	767,584	132,640	60,844	533	25.4
5287	MES CORPORATION ENPL.	5101 RED BARN LANE	ST. JOSEPH	64503	GLISE, MYLLIS	816-233-6734	75,704	41,099	28,249	10,247	139	14.5
4981	MORHAMBY SCHOOLS	7837 NATURAL BRIDGE RD	ST LOUIS	63121	SIMON, MILBERT W.	314-382-5312	361,108	349,409	7,757	23,967	677	-2.5
5288	NORTH AMER. MARTYRS	130 ST. MAURICE LN.	FLORISSANT	63031	MANION, MARIE	314-637-3327	68,501	41,654	21,935	10,539	295	22.4
3032	NORTHEAST	3615 ST. JOHN AVE.	KANSAS CITY	64123	MURRAY, BARBARA S.	816-231-6060	1,180,225	920,930	223,490	98,930	1,345	22.0
4043	NORTHEAST MISSOURI	LAUGHLIN HALL #214 N.W.	KIRKSVILLE	63501	NICOLETTI, PETE	816-785-4278	240,310	119,084	120,397	2,19,342	401	16.3
4709	NORTHEAST MISSOURI TELE	P.O. BOX 1105	MAUMIN	63401	TEEL, DONNA	314-221-0201	744,041	626,711	108,723	73,962	725	21.8
4322	NORTHLAND	WESTONNE I STE H-2	LIBERTY	64068	MARSHALL, JIM	816-781-3300	1,809,688	1,174,553	640,461	158,041	871	27.4
2611	NORTHWEST MISSOURI TEAC	N.W. STATE UNIV. JH JON	MARYVILLE	64468	BARRATT, GEORGE	816-582-5747	2,060,330	1,638,493	181,431	121,322	1,141	32.8
15289	OLIVETTE-STAR	9325 OLIVE BLVD	ST. LOUIS	63132	DALTON, JESSE JR.	314-994-0880	55,509	34,802	1,600	6,107	104	-16.8
7682	ORCO	1154 RECU	SAINT LOUIS	63126	SARLT, MICHAEL	314-822-3880	884,045	657,811	198,776	84,024	365	58.9
4233	ORSCHELD INDUSTRIES	BOX 280	MOBERLY	65270	MARTIN, ALAN	816-263-7924	9,715	0	8,100	-400	190	n.a
5042	OUR LADY OF SORNS	P.O. BOX 280	MEHLEY	65040	SCHULTE, JUSTIN	314-498-3425	491,362	327,482	160,283	45,473	367	12.8
4520	OUR LADY OF SORNS PAR	5020 RHODES AVE	ST. LOUIS	63109	MOLAN, VIRGINIA	314-632-0584	1,116,167	549,110	530,285	83,471	1,241	3.0
5323	OZARK AIR LINES	P.O. BOX 10007	ST. LOUIS	63145	KEYES, TOM	314-429-8433	44,632,153	27,776,973	12,229,332	1,985,069	6,982	25.7
3074	P. C. GLASSWORKERS	18TH ST	SEDALIA	65301	ENING, HELEN W.	816-826-4440	549,235	344,515	195,165	41,709	242	35.5
5291	PACOR ENPL.	1901 WEST MAIN	WASHINGTON	63090	SCHOPPEHORNST, DIANNA	314-239-6731	124,069	102,032	14,488	9,161	163	4.6
3999	PACSETER	2203 N BELT #30	ST JOSEPH	64506	UNGER, CAROL J.	816-364-2608	949,075	806,740	53,525	74,658	833	22.1
2741	PACHANDLE ENPL.	3444 BROADWAY	KANSAS CITY	64141	YOKLEY, DARRELL P.	816-948-2001	20,771,028	11,284,444	9,821,198	1,407,450	5,000	2.8
3886	PEPSI ENPL.	647 TONER GROVE	ST LOUIS	63110	MURRY, ARDIE	314-533-2444	763,221	649,610	63,221	151,527	576	9.0
15292	PETROLITE ENPL.	369 MARSHALL AVE	WENSTER GRV	63119	VASSALLI, BENNY	314-961-3500	1,724,130	1,417,364	333,463	221,931	1,197	18.8
3594	PHILLIPS 66 ENPL.	9051 BIG CHIEF	ST. LOUIS	63125	BODENHILLER, JOHN	314-631-5818	258,590	119,676	128,979	24,362	162	-0.8
17641	POPULAR BLUFF	C/O V A HOSPITAL	POPULAR BLUFF	63901	MARSHALL, SHIRLEY	314-686-7221	3,679,215	2,290,904	1,326,300	204,510	1,859	19.1
1790	POSTAL AND FEDERAL ENPL	1903 E. SENTINOLE	SPRINGFIELD	65807	PIERSON, STEVE	417-887-1923	27,745,085	11,981,726	13,799,364	1,406,981	7,817	5.6
15293	PRINCE HALL	4525 OLIVE ST	ST. LOUIS	63108	CHARLES, THEOPHILIS	314-261-3132	161,999	116,023	30,982	7,795	490	50.7
15294	PRINCE CHAPTS	913 MOREAU DR	JEFFERSON CI	65101	LEVITAN, ROSE A.	314-635-4223	163,085	114,576	44,588	9,858	201	23.2
15295	PROCTOR & GAMBLE ST. LB	169 E. GRAND AVE	ST. LOUIS	63147	HILDEBRAND, CHARLES	314-622-8209	985,444	899,929	10,040	136,949	308	8.1
2932	PROGRESSIVE COMMUNITY	1550 S. NEW FLORISSANT	FLORISSANT	63033	BUGHMAN, GEORGE	314-522-0880	3,062,426	2,446,467	1,050,267	395,841	3,979	4.3
1763	PURINA	835 SOUTH 8TH ST	ST. LOUIS	63102	ANDERSON, ANNE W.	314-982-2888	16,717,395	8,395,636	8,404,370	985,824	3,669	27.5
4096	QUAKER BATS ENPL.	2811 SOUTH 11TH ST	ST JOSEPH	64502	PFLIEDERER, LUCILLE E.	816-279-1651	1,904,806	1,483,991	406,647	162,287	800	13.9
17642	R-C FEDERAL	128 WEST MARKEY RD	BELTON	64012	ELLYS, L. LAVERNE	816-331-6400	21,338,600	13,715,098	6,700,447	634,641	14,549	24.2
3496	RAC	9700 PAGE BLVD.	ST. LOUIS	63132	BULL, RONALD L.	314-429-5051	7,705,182	5,049,545	2,158,027	307,044	3,178	22.8

STATE: MISSOURI

Qtr	CU Name	Address	City	Zip	CEO	Telephone	Total Assets	Total Liabilities	Total Assets	Total Capital	Members	%Grs
64194	AEROSPACE	5916 N. LINDBERGH	HAZELWOOD	63042	PILGER, NINA	314-731-0050	18,888,104	13,350,887	4,721,817	1,107,188	10,496	16.8
85251	ALL SAINTS	5010 TERRY AVE	ST. LOUIS	63115	HOLLINGSWORTH, JAMES	314-361-0338	114,540	89,441	19,221	9,313	174	4.2
85252	ALLSTATE ENPL.	6422 VERNON AVE	ST. LOUIS	63130	HUGHES, ROBERT D.	314-727-5000	151,530	59,740	87,084	14,554	107	-14.9
85253	ALVEY ENPL.	9301 OLIVE ST RD	ST. LOUIS	63132	REILLY, WILLIAM F.	314-993-5716	180,432	138,541	7,519	22,194	350	-10.7
62214	AMERICAN ENTERPRISE	BOX 444	LIBERTY	64068	ZIEGLER, BOB H.	816-454-1250	18,921,326	10,999,182	6,907,459	2,342,994	5,567	11.5
62715	AMHEUSEN-BUSCH ENPL.	1001 LYNCH ST.	ST. LOUIS	63118	ALLEN, THOMAS E.	314-771-7700	164,174,180	95,268,776	54,118,030	5,874,250	37,069	13.5
85254	ARSENAL	8451 MATSON RD	ST. LOUIS	63119	BURKE, WILLIAM	314-362-1241	26,043,342	21,386,761	12,143,859	1,689,781	14,576	9.4
65255	ARVIN ENPL.	1207 ARVIN RD	DEXTER	63841	STOUT, GARY	314-624-7411	677,158	365,949	315,574	55,645	528	70.6
85255	ASSUMPTION PARISH	4702 HATTIS RD	ST. LOUIS	63128	OGOLIN, MICHAEL	314-458-5628	6,885,020	3,839,961	2,451,528	295,089	2,320	16.5
85256	ATLAS	BOX 71	HANNIBAL	63401	YOUNT, D.	314-221-1740	243,975	153,220	89,513	41,362	331	10.3
64756	B. M. A.	1 PERM VALLEY RD.	KANSAS CITY	64141	LANGLEY, LORRAINE	816-753-8000	4,634,740	1,592,037	2,540,035	266,885	1,253	2.1
62296	BAPTIST MEDICAL CENTER	6601 ROCKHILL RD	KANSAS CITY	64131	THOMAS, FLORENCE	816-267-7587	2,751,839	1,349,194	1,349,012	355,017	1,327	9.9
64804	BARRY-MEHWILLER	4440 M FLORISSANT AVE	ST. LOUIS	63115	KATHAN, VERNON J.	314-381-1504	252,105	149,880	69,711	38,491	313	-0.1
64293	BBC	1130 HAMPTON AVE.	ST LOUIS	63139	PRICE, DEBBIE L.	314-647-3800	3,362,802	2,207,600	1,019,547	131,674	1,357	17.2
61846	BEEDEECO	92ND STATELINE RD.	KANSAS CITY	64141	GISH, DONNA L.	816-361-3400	1,758,748	1,272,149	453,473	121,278	840	19.6
63002	BELGEN ENPL.	2100 WALNUT ST	KANSAS CITY	64108	MANSELL, ROBERT	816-474-2250	706,047	680,771	20,242	85,041	319	-15.3
63997	BLUE CROSS K C	201 EAST ARMOUR BLVD	KANSAS CITY	64111	RENSHAM, GARY	816-361-2300	1,328,875	734,141	932,714	86,350	707	59.9
63234	BLUE HILLS COMMUNITY	1020 E. 63RD ST	KANSAS CITY	64110	VINEYARD, LYNETTA	816-523-9181	511,009	69,327	432,223	30,944	653	-4.5
64622	BLUE VALLEY	P.O. BOX 7925	KANSAS CITY	64130	MC CRACKEN, D.K.	816-924-4432	354,479	255,450	77,093	37,954	307	-5.2
15257	BOONE COUNTY TEACHERS	1818 W. HOWLEY	COLUMBIA	65201	MOYES, BILL	314-445-8541	1,448,895	728,183	609,462	79,121	768	20.7
15258	BOONE ELECTRIC ENPL.	1413 KANGELINE DR.	COLUMBIA	65201	ESTES, BETTY	314-449-4181	550,393	444,038	70,445	43,708	240	13.1
61248	BOTHWELL HOSPITAL ENPL.	644 EAST 13TH	SEDALIA	65301	HOOGES, ROSIE	816-826-8833	269,551	122,285	144,041	23,081	446	12.7
64497	BROWNHILL	300 S. GRAND #218A	ST. LOUIS	63103	RAINS, NORMAN L.	314-531-4444	430,277	169,643	258,508	30,809	214	14.0
62895	BURLINGTON	153 W. 14TH AVE	MO KANSAS CT	64116	AUSTIN, LEMITA	816-234-9498	4,051,365	2,232,615	1,418,816	470,244	1,941	3.5
15261	BURLINGTON ST. LOUIS TE	P.O. BOX 6046	ST. LOUIS	63139	GLEASON, RICHARD L.	314-781-1363	374,941	324,621	59,926	35,553	452	3.6
64139	BURNS & McDONNELL	4600 E. 63RD ST.	KANSAS CITY	64141	EAGLEBUNGER, DONALD L.	816-333-4375	2,138,276	1,454,821	672,330	154,859	1,047	-3.4
64777	BUTLER ENPL.	7400 E. 13TH ST & EASTE	KANSAS CITY	64126	SMITH, JACK N.	816-968-4254	2,223,078	1,315,690	752,001	99,224	782	26.4
64621	CAPE P & G ENPL.	HIGHWAYS 177 & J	CAPE GIRARDE	63701	PENROD, TERRI A.	314-334-7484	1,859,978	1,589,197	222,429	101,064	1,153	12.2
64498	CATHOLIC	595 BAILEY RD	CRYSTAL CITY	63019	VOGT, CHARLES W.	314-937-3046	907,620	174,375	32,074	30,485	319	6.0
65132	CEMENT WORKERS	9445 YORKTOWN DR.	ST. LOUIS	63137	BROTZMAN, EULAH L.	314-847-4575	339,948	310,552	21,484	41,862	207	4.2
6469	CENTER COMMUNITY	8701 HOLMES RD	KANSAS CITY	64133	CREASY, J. DANIEL	816-363-2223	2,633,257	1,871,247	701,327	192,401	1,903	83.7
64194	CENTRAL	1111 GRAND AVE #401	KANSAS CITY	64106	IRVIN, JOHN L. JR.	816-221-3647	8,573,677	5,268,702	3,249,303	899,487	3,049	33.6
6533	CENTRAL ELECTRIC	2106 JEFFERSON	JEFFERSON CT	65102	PARKER, GENE B.	314-634-2454	1,078,072	640,892	401,443	36,002	372	24.1
6383	CENTRAL MISSOURI	201 S. HOLDEN	HARRISBURG	64093	DORR, RICHARD D.	816-747-3311	11,589,414	7,540,770	3,473,197	623,303	5,607	38.3
6363	CENTRAL OZARKS	302 MAIDEN LAKE	JOPLIN	64802	HATTIS, ZELMA	417-782-0043	1,924,982	1,447,915	406,052	99,395	1,264	30.7
6304	CENTRAL STATES	9322 MANCHESTER RD	ST LOUIS	63119	HECK, CAROL	314-941-4300	312,103	183,431	92,504	69,323	264	-5.1
6262	CHRISTIAN BOARD	BOX 179	ST. LOUIS	63103	Inactive after 6/84	000-000-0000	473,514	358,155	64,140	42,835	344	0.5
6042	CHURCH OF THE MAGDALEN	4924 BANCROFT	ST LOUIS	63109	BRINKER, THOMAS R JR.	314-352-0444	372,872	314,554	66,738	31,559	485	22.6
6037	CITY	2550 S. N-291 HWY	INDEPENDENCE	64057	KIBLER, PATRICIA E.	816-252-2415	4,793,538	4,079,834	237,257	148,498	2,414	14.9
6411	CITY UTILITIES ENPL.	818 N. BENTON	SPRINGFIELD	65802	HALLSTRAND, FRANK	417-845-3912	10,605,224	7,010,471	3,152,416	587,300	2,607	16.8
6011	CLAY COUNTY TEACHERS	2117 NE 48TH ST	KANSAS CITY	64118	ROSS, CAROLYN	816-452-8375	1,484,519	1,104,008	350,582	152,987	480	10.9
6723	CO - LIS	1640 S. LINDBERGH BLVD.	ST. LOUIS	63131	GAERTNER, DONELL J.	314-994-3300	794,518	488,323	54,383	41,649	463	-0.1
6148	COATINGS ENPL.	P.O. BOX 418037	KANSAS CITY	64141	LEE, BARBARA	816-473-8500	218,058	181,271	42,252	26,796	246	-14.6
6182	COLUMBIA CENTRAL LABOR	611 NORTH GARTH	COLUMBIA	65203	DONOVAN, JAMITA	314-449-6000	515,436	199,268	308,000	59,901	891	-0.3
6930	COLUMBIA MUNICIPAL ENPL.	600 E BROWNAY	COLUMBIA	65201	BRALOW, CURTIS C.	314-874-7238	3,078,842	2,744,380	304,951	294,256	1,570	17.7
6199	CONSERVATION ENPL.	2901 N. TROMAN BLVD.	JEFFERSON CT	65102	BONTA, WILLIAM	314-751-4115	9,344,202	5,338,690	3,804,672	606,219	2,570	14.3
6216	CONTEL	P.O. BOX 307	WENTZVILLE	63385	VENSLAGE, DAVID	314-327-3343	8,432,851	4,944,041	3,640,987	793,161	3,371	32.9
6219	CONTINENTAL	7140 W. BROWNAY	ST. LOUIS	63147	GRAHAM, HAROLD A. JR.	314-381-4422	1,484,520	764,808	644,102	112,812	657	5.9
6403	COOK ENPL.	BOX 389	KANSAS CITY	64141	DIECKMAN, HENRY E.	816-391-6081	419,323	302,464	96,823	40,521	490	-9.3
6875	CORP. FRED SIEFERT POST	P.O. BOX 411	ST. JOSEPH	64502	BLINDE, RALPH D.	816-279-3693	673,842	604,999	90,967	45,958	693	5.5
6054	COUNTY	16 N CENTRAL AVE.	CLAYTON	63105	PEACE, RUTH I.	314-725-1113	6,251,904	3,844,418	2,218,652	262,109	4,171	-6.9
6701	CSD-1	7000 E. 107TH ST.	KANSAS CITY	64134	DIGIOVANNI, ANTHONY J.	816-763-4030	9,849,942	4,918,917	4,739,653	538,725	2,040	26.0
6119	CUPPLES PRODUCTS ENPL.	2650 SOUTH HANLEY RD	ST LOUIS	63144	ROTH, CAROL	314-781-6729	974,822	941,020	18,554	69,200	659	0.2
6320	CY-HANNIBAL	P.O. BOX 817	PALMYRA	63441	BREEDING, MELISSA	314-749-2011	173,821	133,912	6,353	2,755	320	13.1
6507	DE SOTO RD. PAC	4832 LIBERTY SCHOOL RD	HILLSBORO	63050	SCHRETT, ALFRED J.	314-584-0758	1,213,427	544,224	593,522	171,562	480	2.8
6414	DEKALB	PO BOX 14508	ST LOUIS	63178	AUTHY, MARY JANE	314-771-5765	448,085	284,625	187,565	27,227	537	3.8
664	DEXTER PUBLIC SCHOOLS	T. S. HILL MIDDLE SCHOOL	DEXTER	63841	MORSE, MERRIAN	314-424-5945	1,049,611	544,026	364,799	57,074	394	47.9
694	DISTRICT 4 HIGHWAY	5117 E 31ST ST	KANSAS CITY	64128	SMITH, JANE D.	816-921-7104	2,812,007	1,737,132	842,546	184,354	1,308	46.6
634	DISTRICT 5 HIGHWAY	P.O. BOX 718	JEFFERSON CT	65102	STROPE, MARSHA L.	314-751-7704	3,314,881	1,904,153	1,312,190	194,502	851	32.5
708	DISTRICT 7 HIGHWAY	410 KANGELINE	JOPLIN	64801	CRAIN, RALPH D.	417-623-5794	4,228,877	2,388,443	1,783,965	231,007	1,094	31.8
657	DISTRICT 8 HIGHWAY ENPL	3025 KEARNEY	SPRINGFIELD	65801	FOSTER, JEAN	417-844-3576	2,545,812	1,484,694	1,037,342	202,753	1,020	36.2
622	DISTRICT 9 HIGHWAY ENPL	OLD SPRINGFIELD RD.	WILLOW SPRIN	65793	COLLINS, LOU ANN	417-449-3134	2,298,854	1,758,640	439,452	200,942	1,024	9.1
620	DISTRICT ONE HIGHWAY	BOX 287	ST. JOSEPH	64502	MOOD, NORMA K.	816-232-3323	4,476,378	2,249,287	2,112,244	273,214	1,159	21.8
644	DISTRICT TWO HIGHWAY	PO BOX 223	MACON	63552	ROBERTS, MARILYN S.	816-385-3174	3,461,705	2,404,503	978,424	201,472	1,025	37.5
744	DIVISION #3 HIGHWAY	HIGHWAY 61 SO. HANNIBAL	HANNIBAL	63401	DEAN, M. N.	314-221-2764	2,061,404	1,401,525	608,905	160,844	805	17.3
755	DIVISION #6 HIGHWAY	329 S. KIMBORO RD	KIMBORO	63122	LAFATA, BEVERLY	314-444-3800	4,213,747	2,788,454	1,406,020	196,971	1,753	20.6

STATE: MISSOURI

Ch. #	Ch Name	Address	City	Zip	Gen	Telephone	Total Assets	Total Liabilities	Total Invest	Total Capital	Members	%Grs
61427	RAILWAY ENPL.	2363 WEST DIVISION	SPRINGFIELD	65802	DEVRIES, MARY ANN	417-862-1880	3,410,772	1,896,319	1,375,329	148,128	1,722	11.5
61736	RAILWAY MAIL	315 N PERSHING	KANSAS CITY	64108	MILLER, HELEN	816-862-5650	10,066,205	3,442,757	6,201,741	776,345	3,698	9.2
65017	RAMCO	1233 MANCHESTER	MANCHESTER	63011	EASTERBY, RITA	314-394-3792	416,202	279,429	135,413	28,874	497	-2.3
63215	RAY CARROLL	BOX 158	RICHMOND	64085	JUDD, JANET	816-776-5593	885,396	466,042	412,734	86,529	330	49.6
62815	RAYTOWN TEACHERS	10508 E. 40TH TERR.	RAYTOWN	64133	AGEE, DOREEN	816-354-0791	11,384,985	4,036,708	7,239,383	619,683	2,495	19.4
63782	RESEARCH FAMILY	2314 EAST NEVEN BLVD	KANSAS CITY	64132	HOMER, ELLA J.	816-276-4183	4,109,257	2,778,543	1,271,890	341,469	2,505	8.0
60895	REYCO ENPL.	400 N PROSPECT	SPRINGFIELD	65802	CARTY, SHIRLEY	417-862-4343	1,658,998	1,470,994	169,700	162,215	492	14.7
12890	ROLLA	1400 INDEPENDENCE RD	ROLLA	65401	JONES, ILEAH	314-341-0871	5,138,297	4,009,480	1,072,761	382,977	2,549	19.5
64857	S.L.C.M.C.	535 N MEN BALLAS RD	ST LOUIS	63141	FARKAS, GREGOR K.	314-991-3404	1,282,374	699,673	441,844	103,020	719	3.1
65142	S.M.H. LOCAL #36	301 S. EMING	ST. LOUIS	63103	KREUTZ, MORBERT B.	314-371-5888	903,323	597,139	308,505	61,247	814	13.6
07095	SAFERAY KANSAS CITY EMP	4420 MADISON AVE #104	KANSAS CITY	64111	PERRIN, MARIAN L.	816-931-4164	9,615,194	4,697,519	4,735,482	1,071,459	3,503	10.5
01089	SEARS KANSAS CITY ENPL.	3625 TRUMAN RD...	KANSAS CITY	64127	HEDRICK, WESLEY	816-245-5729	11,426,726	4,394,308	6,701,434	381,195	5,787	7.4
64280	SEDALIA NO PAC ENPL.	1824 E. 9TH	SEDALIA	65301	KOELLER, CINDY A.	816-826-6557	39,400	26,100	9,960	5,339	94	-25.7
64180	SEMO	1203 FAIRLANE	CAPE GIRARDE	63701	FARMER, DR. RAMDY	314-334-2473	146,803	128,393	3,013	20,380	192	-5.3
64402	SERVICE	4TH & CEDAR STS	ST. JOSEPH	64501	HILL, STEPHEN H.	816-232-4434	281,382	267,841	8,425	37,767	212	14.0
64143	SEVEN HOLY FOUNDERS	9522 GRAVOIS	ST LOUIS	63123	VOLNER, RAY	314-438-9224	3,332,241	2,114,042	1,196,380	135,396	2,021	36.8
64214	SGME FAMILY	P.O. BOX 19573	KANSAS CITY	64141	SCHAEFER, BARNARD J.	816-421-2020	215,276	158,290	54,238	35,654	140	10.7
23355	SHELTER INSURANCE	1817 N. BROMAY	COLUMBIA	65218	KALAF, E.S.	314-874-4294	4,760,179	3,135,556	1,472,757	372,596	2,794	7.9
85299	SIKESTON COMMUNITY	P.O. BOX 532	SIKESTON	63801		000-000-0000	19,189	6,241	12,733	474	127	80.1
63830	SIKESTON PUBLIC SCHOOLS	117 SMITH	SIKESTON	63801	COMAN, ED	314-472-0000	754,002	465,477	285,896	50,382	436	57.1
64000	SMH	P.O. BOX 289	SMITHVILLE	64089	STENANT, JUDITH A.	417-532-3700	283,965	189,822	91,751	21,928	347	22.6
64404	SOUTH INDEPENDENCE COMM	11206 E. 24TH ST. INDER	INDEPENDENCE	64052	WESNER, T. E.	816-254-9055	834,490	345,523	209,502	116,912	1,051	15.5
85300	SOUTHEAST TELEPHONE EMP	BOX 335	FLAT RIVER	63601	DAY, R. D.	314-431-3573	1,845,341	1,047,167	778,228	128,688	811	61.6
63234	SOUTHWEST MISSOURI	1320 S. GLENSTONE #27	SPRINGFIELD	65804	SLOAN, JOHN	417-887-6675	2,177,631	1,437,076	686,911	302,889	2,673	19.0
62589	SOUTHWEST TEACHERS	1221 E. GRAND	SPRINGFIELD	65804	BANKS, JUDITH A.	417-832-4434	8,063,863	5,043,055	2,108,282	459,811	2,812	32.3
63043	SPOT SALES ENPL.	8907 SPUR LAKE	ST. LOUIS	63121	MOORE, EDITH	314-726-2642	97,185	41,226	35,875	33,309	118	22.8
61684	SPRINGDAY	2416 N BATTLEFIELD	SPRINGFIELD	65807	BUTLER, STEPHEN L.	417-881-8814	3,982,281	2,344,320	1,062,991	243,786	2,051	5.2
61847	SPRINGFIELD CATHOLIC	500 S. JEFFERSON	SPRINGFIELD	65806	PIRNER, HAROLD	417-862-7074	1,830,549	1,467,466	384,022	164,941	992	4.2
61157	SPRINGFIELD TEACHERS	423 E. CENTRAL	SPRINGFIELD	65802	RIMMER, JEANNIE	417-864-1712	11,856,723	4,037,116	6,820,710	1,098,994	2,411	10.0
63116	SPRINGFIELD TELEPHONE E	700 E. ELM	SPRINGFIELD	65805	POMELL, WILLIAM A.	417-869-9808	11,219,226	6,197,411	4,196,351	546,055	4,187	31.1
64793	SS. PETER & PAUL PARISH	2205A ARSENAL ST.	ST LOUIS	63118	HUSTEDDE, ANDREW F.	314-645-4599	518,127	329,033	204,145	32,019	392	15.1
64551	ST BONIFACE	7622 MICHIGAN AVE.	ST. LOUIS	63111	SMITH, BARBARA	314-631-5381	254,807	86,867	135,782	21,000	333	1.3
64760	ST FRANCIS DE SALES	10025 ZENITH CT.	ST LOUIS	63123	BIERLING, LEO C.	314-544-4694	184,284	73,397	108,643	5,586	169	8.7
64306	ST JOHN'S ENPL.	1235 E. CHEROKEE	SPRINGFIELD	65802	BROWN, EDWIN A.	417-885-2932	3,394,853	2,708,631	640,082	812,907	1,870	20.7
64081	ST JOSEPH MUNICIPAL	904 SOUTH 10TH, #201	ST JOSEPH	64503	RUSSELL, SHIRLEY	816-271-4713	216,597	98,033	58,055	19,191	504	3.0
85301	ST. AMBROSE	P.O. BOX 203	CHAFFEE	63740	GLUECK, MARY J.	314-794-2548	84,005	76,245	6,735	13,250	178	11.0
62716	ST. ANDREW	1690 LEMAY FERRY RD	ST. LOUIS	63125	OGDIN, S.G.	314-544-5050	14,126,438	7,965,423	5,530,723	731,748	6,015	10.4
63995	ST. ANTHONY	P.O. BOX 1836	ST LOUIS	63118	CAMPBELL, MARY ANN	314-353-6476	5,712,108	2,513,985	3,192,328	414,511	1,537	62.3
85302	ST. AUGUSTINE	BOX 21	KELSO	63758	BUCHER, MARGIE	314-264-2537	56,492	48,412	455	8,315	165	13.4
64854	ST. BERNADETTE	68 SHERMAN RD	ST. LOUIS	63125	JACKSON, DONALD C.	314-892-6325	937,365	551,734	376,346	41,903	1,163	26.6
64649	ST. CECILIA PARISH	5418 LOUISIANA AVE	ST LOUIS	63111	BENCK, CHAS	314-353-3192	1,156,944	880,457	262,549	187,716	955	7.6
64762	ST. ELIZABETH	7444 MAIN ST	KANSAS CITY	64114	MCARLIFFE, WILLIAM R.	816-444-7440	3,859,928	2,785,031	1,069,929	356,022	2,797	29.0
64801	ST. FERDINAND	30 CANISIUS	FLORISSANT	63031	WINKLER, VIVIAN J.	314-838-3196	186,312	163,367	20,360	23,495	607	-2.5
64761	ST. GEORGE S	8206 GRAVOIS	ST. LOUIS	63123	STEBERT, LEONARD	314-481-0900	3,698,683	2,307,056	1,275,162	209,899	2,293	27.6
85304	ST. JOHNS	4525 HIGHWAY 21	IMPERIAL	63052	MAGNER, AUG	314-294-8061	318,871	269,886	21,811	62,927	345	7.3
85305	ST. JOSEPH	BOX 2230	SCOTTY CITY	63780	LINSEY, FRANK	314-264-4300	31,422	28,383	1,972	2,882	106	2.8
85306	ST. JOSEPH OF KINROSS	525 COUCH	KINROSS	63122	MARTIN, JAMES	314-944-1564	1,313,256	602,307	579,819	85,949	831	49.5
64145	ST. JOSEPH POSTAL ENPL.	P.O. BOX 386	ST. JOSEPH	64502	SEEVER, TRUDY L.	816-279-1160	3,407,336	2,758,978	646,293	236,056	2,104	33.0
95079	ST. JOSEPH TEACHERS	FREDERICK TOWERS #401	ST. JOSEPH	64506	BRADY, BARRY M.	816-233-9544	1,535,313	994,825	516,874	90,762	877	37.6
64306	ST. JOSEPH TELEPHONE CH	8TH & EDMOND #207	ST. JOSEPH	64501	GRAMHAM, HARRIETT	816-233-9901	544,227	361,076	161,028	106,213	348	0.2
85307	ST. LOUIS ACTINO JOINT B	1601 S. BROMAY	ST. LOUIS	63104	TRULOVE, JAM	314-521-5035	700,643	498,501	221,844	77,071	1,043	11.4
65390	ST. LOUIS CARPENTERS	1401 HAMPTON AVE	ST. LOUIS	63139	HISHAR, MAURINE	314-647-6596	2,094,806	1,403,823	689,223	115,468	1,602	21.7
19276	ST. LOUIS CITY ENPL.	1204 MARKET #13-CITY HA	ST LOUIS	63103	REID, KARL J.	314-622-4389	1,643,397	1,480,802	27,156	99,928	2,830	1.4
64689	ST. LOUIS COUNTY R-2	1896 S. FLORISSANT RD	FLORISSANT	63031	DIPPOLO, DON	314-521-7437	1,250,378	788,753	493,964	61,441	465	20.5
00002	ST. LOUIS FCB ENPL.	1415 OLIVE ST	SAINT LOUIS	63164	ROSS, SUSAN	314-342-3223	2,208,969	762,712	1,398,772	243,131	826	3.5
60854	ST. LOUIS FEDERAL CENTE	4300 GOODFELLOW BLVD	ST LOUIS	63120	EVANS, DANIEL H.	314-389-1616	12,848,948	4,737,372	7,743,524	377,426	4,318	7.6
01854	ST. LOUIS FHMA	1520 MARKET ST	SAINT LOUIS	63103	SMITH, SHARON	314-231-0820	2,017,518	1,616,469	310,901	91,582	1,267	16.7
63053	ST. LOUIS NEWSPAPER CAR	P.O. BOX 1143	FENTON	63026	DUNKERTH, DENNIS	314-343-5042	2,281,740	1,787,592	373,381	103,963	200	60.5
64425	ST. LOUIS POLICEMEN S	1200 CLARK ST	ST. LOUIS	63103	MC HALE, SALLY V.	314-444-5392	9,278,722	3,816,571	4,777,824	453,591	2,228	27.2
62905	ST. LOUIS POSTAL ENPL.	P.O. BOX 304	ST. LOUIS	63164	SCHMIDT, CLIFFORD M.	314-231-1559	51,022,942	27,569,263	19,139,970	3,385,332	17,593	13.2
60400	ST. LOUIS TEACHERS	3651 FOREST PARK AVE	ST LOUIS	63108	CLAVERIA, THOMAS J.	314-534-7610	34,421,016	21,859,023	8,598,147	1,154,644	21,062	1.6
62811	ST. LOUIS TELEPHONE EMP	4650 HAMPTON AVE	ST LOUIS	63109	MAALKES, CHARLES	314-832-8500	70,565,790	40,907,486	27,969,500	2,838,824	23,871	3.1
85308	ST. LOUIS UNIFORM FIREH	1125 SPRUCE ST	ST. LOUIS	63102	HAY, TIM	314-231-0739	3,417,031	2,635,164	596,064	257,452	900	75.0
85309	ST. LOUIS WESTERN UNION	910 CHESTNUT ST	ST. LOUIS	63101		000-000-0000	143,181	114,728	22,102	22,635	244	0.7
61811	ST. LUKE'S HOSPITAL EMP	44TH & NORWALL	KANSAS CITY	64111	VENABLE, SUSAN	816-932-2135	3,895,307	2,522,245	1,382,703	204,351	3,009	18.0
85310	ST. MARGARETS	2165 SOUTH 39TH ST	ST. LOUIS	63110	HUFF, WALTER B.	314-865-3133	290,187	203,888	83,940	22,295	368	12.1
85312	ST. PIUS X	395 SHELLEY DR	ST. LOUIS	63137	BRASS, MARY	314-867-9337	506,764	297,357	206,636	38,216	433	18.6

STATE: MISSOURI

Ch. #	CU Name	Address	City	Zip	CEO	Telephone	Total Assets	Total Loans	Total Invest	Total Capital	Members	%Grs
60167	DIVISION 10 HIGHWAY EMP	P.O. BOX 160	SIKESTON	63801	GLASTETTER, S.L.	314-471-4170	3,186,541	1,183,614	1,787,758	225,649	879	29.8
85266	EAS EMPLOYEE	1270 NORTH PRICE RD	ST. LOUIS	63132	LOME, ETIA	314-993-5880	114,851	102,213	7,969	14,245	243	3.9
85265	EDISON	4200 E FRONT ST.	KANSAS CITY	64120	WEBER, LINDA K.	816-556-2345	21,590,793	7,308,243	13,155,070	1,945,646	4,653	3.3
95078	EDUCATIONAL EMPL.	10326 OLD OLIVE ST RD	ST. LOUIS	63141	NEDEFFER, STERLING M.	314-432-5732	99,189,697	51,991,180	40,270,236	5,841,232	27,101	39.5
62590	ELECTRO SAVINGS	1805 CRAIGSHIRE DR.	ST. LOUIS	63146	MORD, C. BLAINE	314-434-6470	21,920,461	14,697,617	5,844,585	1,228,567	12,364	8.7
63789	EMERSON COMMUNITY	9050 W. FLORISSANT ST.	SAINT LOUIS	63136	SOMMER, DENNIS	314-868-3600	19,510,213	9,982,576	8,347,274	289,899	9,282	-1.3
62598	EMPLOYMENT SECURITY	421 E. DUNKLIN	JEFFERSON CI	65101	SCHUMPF, BETTY	314-636-5338	15,726,560	9,055,650	5,940,557	643,046	3,837	38.7
85321	F H C	P.O. BOX 1474	ST. JOSEPH	64506	Imactive after 6/86	000-000-0000	123,635	97,126	17,590	7,629	180	-20.6
64098	FARMLAND INDUSTRIES	3315 N OAK TRFWY	KANSAS CITY	64116	COFFEY, MIKE	816-459-4370	10,775,784	6,813,877	3,389,414	1,160,573	5,760	7.0
64397	FEDCO	P.O. BOX 658	JEFFERSON CI	65102	DURHAM, BRENDA	314-893-1400	379,846	140,871	233,938	28,331	192	49.7
64084	FEDERAL EMPL.	9300 THROST	KANSAS CITY	64131	BISCHOP, KENNETH	314-361-4194	65,093,927	38,878,033	22,281,136	5,159,606	31,010	35.1
62948	FIRST AMERICAN	3200 S. KINGS HWY	ST. LOUIS	63139	SCHAEFER, JAMES	314-773-2200	5,336,869	3,268,651	1,967,470	615,320	2,346	34.8
85269	FIRST COMMUNITY	P.O. BOX 24548	ST. LOUIS	63141	BERRA, DON	314-432-1029	204,651,793	61,150,955	134,360,275	8,347,384	40,383	6.0
63996	FORT LEONARD HODD	P.O. BOX 80 BLDG 494	FT LEONARD M	65473	MOECKI, STANLEY	314-329-3151	26,531,182	15,447,641	9,166,877	1,696,661	13,057	7.9
64799	FOUR FOUR	411 LOCUST	ST. LOUIS	63102	DUBRAY, JOANN	314-444-8444	1,330,599	1,175,902	152,108	101,342	1,018	33.0
64648	G.C.I.U. LOC. 235	5200 E 45TH ST	KANSAS CITY	64130	JONES, BILL	816-841-5555	147,688	132,304	13,291	15,242	233	2.3
85271	G/B	3606 GRAYOIS AVE, #302	ST. LOUIS	63116	OLLIGES, RICHARD	314-776-5525	1,683,695	1,420,093	222,270	81,664	1,332	17.2
62711	GATEWAY FEDERAL EMPL.	P.O. BOX 24369	ST. LOUIS	63136	HINRICHSON, EDWIN	314-385-8800	31,996,354	17,907,362	12,855,084	1,413,503	12,726	16.7
64502	GATEWAY TELCO	905 PINE ST	ST. LOUIS	63101	MORRISON, RAY	314-621-4607	24,647,979	13,336,425	10,673,237	2,023,761	7,072	18.6
00486	GENERAL AMERICAN LIFE I	13045 TESSON FERRY RD.	ST. LOUIS	63128	MAULMAN, HARRIET J.	314-525-5495	1,985,859	1,525,384	389,671	201,550	1,446	27.9
62897	GENERAL COUNCIL	1535 W. CAMPBELL	SPRINGFIELD	65803	TRIPP, JIM	417-831-4398	21,006,958	8,961,038	11,216,584	1,041,951	7,542	7.9
85272	GENERAL ISCO	2001 MALTON RD.	OVERLAND	63114	FRAZIER, DAVE	314-426-1724	417,947	215,458	185,552	23,339	278	6.5
65311	GLASSWORKERS	122 MISSISSIPPI AVE	CRYSTAL CITY	63019	BOYER, MARY ANN	314-937-2036	3,066,320	1,768,730	1,269,753	252,643	2,156	30.9
63336	GLOBE DEMOCRAT NEWSPAPE	3671 BURBECK DR	ST. LOUIS	63125	MILKINSON, ROBERT	314-487-5440	144,850	79,897	71,727	56,737	124	-23.7
63606	GOE7Z	1905 HOWARD ST.	ST. JOSEPH	64501	HOFFMAN, HELEN	816-232-8754	5,801,784	2,739,892	2,621,268	378,841	4,019	41.7
64901	GREATER JEFFERSON CITY	315 E. DUNKLIN	JEFFERSON CI	65101	MARSCH, RON	816-436-7171	126,427	85,843	12,310	11,287	215	22.6
64704	GREYHOUND CENTRAL	708 E. 12TH ST	KANSAS CITY	64106	ARMSTRONG, MICHAEL	816-421-5560	9,011,689	6,107,797	2,851,598	585,167	3,498	n.a
64692	GREYHOUND MID-AMERICA	1001 FOREST	KANSAS CITY	64106	MATTOX, JANET	816-421-0339	821,166	222,720	222,720	81,492	644	17.8
63062	GUADALUPAN	1115 S. FLORISSANT RD	COAL VALLEY	63121	MUDD, LEONARD E.	314-522-3293	528,164	300,430	218,520	49,768	510	14.9
85273	GUARDIAN ANGEL	BOX 218	ORAN	63771	TOPT, RITA	314-262-3392	70,009	62,711	660	6,704	254	1.8
63249	HEALTH CARE FAMILY	6540 CLAYTON RD	RICHMOND HGT	63117	BURNELL, JAMES	314-645-5851	7,019,158	4,788,517	1,427,664	274,760	6,418	19.1
63353	HEALTH CARE PROVIDERS	P.O. BOX 1743	JEFFERSON CI	65102	MALDEN, RITA	314-634-4105	1,048,388	794,298	215,779	37,493	1,622	19.8
23857	HEARTLAND HEALTH	7TH TO 9TH FARACN	ST. JOSEPH	64501	CRAMFORD, ROB	816-271-7092	466,314	370,404	87,337	47,187	828	4.4
63463	HILLARY EMPL.	P.O. BOX 909	ST. JOSEPH	64502	POMERS, MARVIN	816-283-1321	857,430	568,188	273,986	34,434	297	76.3
21907	HNTB EMPL.	9200 HARD PARKWAY	KANSAS CITY	64141	KRUCHOSKI, BRIAN	816-333-4800	5,612,082	1,296,926	4,205,247	178,314	1,586	23.2
65033	HOLY GHOST BENEFLEY	4141 JACKSON	HAZELWOOD	63134	CARPENTER, RAYMOND	314-524-1960	282,900	264,346	7,075	33,060	372	-2.9
64210	HOLY INFANT	P.O. BOX 34	BALLWIN	63022	EISENHAYER, HOMER C.	314-227-0802	734,960	215,579	518,554	33,911	511	35.4
65545	HOLY NAME PARISH	1916 MCCANSLAND	ST. LOUIS	63117	MCLAIN, THOMAS	314-647-8309	130,200	108,005	24,931	20,003	188	2.7
64690	HOLY ROSARY	911 EAST MISSOURI AVE	KANSAS CITY	64106	GREGO, GEORGE	816-221-2734	3,134,832	2,162,666	927,274	450,619	2,078	10.4
61175	I.B.E.W.	5850 ELIZABETH AVE	ST. LOUIS	63110	SUMMERS, RAYMOND	314-645-0213	1,561,572	856,439	654,044	171,779	1,012	11.2
64211	IMCO	75TH & CLEVELAND	KANSAS CITY	64132	ZAKEN, DANIEL	816-841-8201	321,458	145,268	156,836	18,075	477	-11.8
85275	IMMACULATE CONCEPTION P	P.O. BOX 193	ARNOLD	63010	FELDMANN, JULIAN	314-832-1980	1,038,098	782,095	209,916	50,442	799	16.3
15509	INDEPENDENCE	P O BOX 1094	INDEPENDENCE	64051	RAWLINS, SHIRLEY F.	816-833-0781	821,282	654,128	131,745	47,880	640	12.0
62620	INDEPENDENCE TEACHERS	1231 S WINDSOR	INDEPENDENCE	64055	DINSHORE, JERRY	816-833-3433	3,926,292	1,894,560	1,994,597	266,619	1,490	14.7
85276	J C FEDERAL EMPL.	BOX 1003	JEFFERSON CI	65102	LEIVIAN, HAROLD	314-635-8263	1,426,722	1,026,420	388,467	151,562	658	22.6
64763	JASPER COUNTY	629 SCHIFFERDECKER	JOPLIN	64801	EMICOTT, KAREN	417-623-3215	1,320,949	1,153,186	144,765	71,939	953	21.7
85277	JEFFCO	303 MAIN ST	FESTUS	63028	LEITTERMAN, JUDY	314-937-7144	837,826	508,904	247,406	31,654	1,109	11.8
95061	JEFFERSON CITY HIGHWAY	PO BOX 270	JEFFERSON CI	65102	OTT, BONNIE	314-751-4604	22,151,327	12,644,788	9,303,436	1,439,807	1,480	16.4
64691	JOPLIN TELEPHONE EMPL.	716 PEARL	JOPLIN	64801	PHILLIPS, TOY E.	417-623-9816	7,146,188	3,792,473	3,110,687	401,048	2,399	69.6
64149	JUMPING JACKS	100 5TH ST	MONETT	65708	CHURCHILL, DOROTHY	417-235-3122	282,437	235,639	40,825	22,712	482	-7.4
85278	JUSTUS	P.O. BOX 385	LEES SUMMIT	64063	THOMAS, LOIS	816-524-3750	2,744,990	2,318,484	381,268	125,943	1,629	-7.7
04531	K C TERMINAL EMPL.	301 EAST 21ST	KANSAS CITY	64108	YOUNG, ELINOR	816-842-6473	355,037	276,368	83,333	80,631	494	-9.5
62812	K. C. POLICEMEN'S	1328 AGNES	KANSAS CITY	64127	PARKER, DAVID	816-242-8130	30,234,962	10,625,820	19,358,686	2,334,205	4,704	32.6
64939	K.C. AREA	601 E. 12TH	KANSAS CITY	64106	REED, DOROTHY	816-221-5282	2,843,619	1,542,277	1,282,905	214,838	1,772	20.5
62960	KAISER MEXICO	1408 W. JEFFERSON	MEXICO	65265	DUBERT, LAWRENCE	314-581-6978	9,817,840	6,376,195	3,009,713	616,731	2,711	14.8
63388	KANSAS CITY	414 E. 12TH	KANSAS CITY	64106	YORK, LEMORA B.	816-274-1376	14,815,482	8,817,871	5,118,071	1,056,000	5,594	17.9
64405	KANSAS CITY - ST. BERNA	9020 E 51ST TERRACE	KANSAS CITY	64133	LEARY, BETTY F.	816-356-7820	730,990	602,018	111,851	39,154	909	3.6
61821	KANSAS CITY POST OFFICE	2539 BROWAY	KANSAS CITY	64108	CROW, GEORGIA	816-842-0727	5,830,649	3,729,580	1,554,254	200,202	4,731	-10.3
61934	KANSAS CITY TELEPHONE E	1300 LOCUST ST #110	KANSAS CITY	64106	YANTIS, DANIEL	816-842-1535	7,812,560	4,989,046	2,675,224	418,620	5,840	12.5
64312	KCA GUARDIAN ANGELS	1310 WESTPORT RD	KANSAS CITY	64111	POTTIER, LOUIS F.	816-931-7574	262,697	191,809	62,071	19,892	453	-1.0
63064	KERBA ST. LOUIS	302 NORTH CLAY AVE	KIRKWOOD	63122	BOORHOUTZ, C.P.	314-821-9929	35,784,649	9,896,113	25,626,125	2,649,334	7,975	19.2
85279	KILOMATT	623 W MCCARTY	JEFFERSON CI	65101	BUSBY, SUSAN	314-635-2685	2,066,185	1,852,288	128,094	176,225	1,414	12.5
64618	KIRKWOOD MUNICIPAL	139 S KIRKWOOD RD	KIRKWOOD	63122	ROUSE, FLORENCE	314-822-5891	871,504	462,778	160,015	127,759	341	39.5
61238	L. B. EMPL.	1400 N. PENNSYLVANIA AV	PAGEDALE	63133	CRITES, MAGARET	314-725-3341	2,727,105	1,377,396	1,249,388	101,101	691	30.1
64074	LACLEDE FAMILY SAVINGS	720 OLIVE ST, #606	ST. LOUIS	63188	WEST, MANDY J.	314-241-2979	4,831,705	2,797,227	1,945,923	293,053	2,928	-16.1
85324	LEADCO	PO BOX J	FLAT RIVER	63601	HAILS, LEE	314-431-1882	9,847,195	4,610,648	4,902,240	699,785	4,695	-7.5
85281	LEOPOLD ST. JOHNS	RT. 1	LEOPOLD	63760	VANDEVEN, SHARON	314-238-3581	61,374	52,622	559	4,621	110	0.4

STATE: MISSOURI

STATE: MISSOURI

Ch. #	CU Name	Address	City	Zip	CEO	Telephone	Total Assets	Total Loans	Total Invest	Total Capital	Members	%Gro
85311	ST. RITA	8310 MADISON AVE	ST. LOUIS	63114	FRIEDHOFF, EUGENE	314-427-7332	93,478	91,033	1,719	15,762	278	-5.4
64501	ST. STEPHEN	P.O. BOX 6297	KANSAS CITY	64126	THOMPSON, FRANCES	816-483-6148	215,460	107,201	97,309	23,450	265	26.0
64940	ST. THOMAS OF AQUIN	3942 IOWA AVE.	ST. LOUIS	63118	SCHOTTEL, DOROTHY M.	314-776-6945	435,661	275,728	158,057	45,422	354	10.3
64478	STANOLIND	P.O. BOX 1099	KANSAS CITY	64141	HANKINSON, R.A.	816-968-5422	1,317,699	878,738	412,166	95,973	503	44.7
85313	STAR	1729 GRAND AVE	KANSAS CITY	64108	RIEDEL, JAMES M.	816-234-4290	3,035,448	1,492,257	1,337,450	89,629	2,757	2.0
11837	STATE FARM MISSOURI-KAN	2000 I-70 DR SW	COLUMBIA	65217	KEHL, ANDREW	314-874-9328	14,899,830	7,416,081	7,575,025	979,561	2,521	62.6
95080	STATIONERY	111H AND MITCHELL AVE.	ST. JOSEPH	64503	ANELLO, BILLIE M.	816-279-1601	1,808,500	1,302,874	482,183	149,869	1,143	46.2
66400	STE. GENEVIEVE COUNTY	34 SOUTH THIRD ST	STE. GENEVIEVE	63670	OKENFUSS, DIANE	314-883-5668	397,520	178,342	180,497	2,415	343	n.a.
85314	SULLIVAN COMMUNITY	100 N. MAIN ST	SULLIVAN	63080	CHRISTOPHER, PAT	314-468-8068	112,205	104,309	3,837	18,675	189	-5.5
64695	T-M	8215 TROOST AVE	KANSAS CITY	64131	DROEGEMUELLER, ELWOOD	816-444-3357	199,425	139,905	50,041	16,490	144	-1.4
95081	TEACHERS	8333 E. HWY. 50 (BLUE P	KANSAS CITY	64133	DYSART, ROBERT E.	816-737-0700	19,078,911	13,708,314	3,685,549	1,095,427	14,829	4.3
62186	TEAMSTERS JOINT COUNCIL	300 S. GRAND BLVD #225	ST. LOUIS	63103	BARSOS, PETE	314-534-1340	1,961,132	1,652,545	277,124	198,625	2,542	3.9
65446	THREE TEN	310 McDONNELL BLVD	HAZELWOOD	63042	Inactive after 6/86	000-000-0000	175,161	60,788	8,941	19,173	75	-79.6
06707	TOWN & COUNTRY SHOE	BOX 818	SEDALIA	65301	MCCARTY, MARY	816-826-4490	327,941	227,385	100,312	68,949	339	8.9
64682	TUFFY	BOX 6316	KANSAS CITY	64126	CUTTER, PHYLLIS	816-242-3046	2,364,046	1,445,369	661,532	210,745	942	23.9
63028	TWA	11020 AMBASSADOR #120	KANSAS CITY	64153	CHAPIN, D.D.	816-891-4210	422,205,692	195,207,671	263,018,741	9,689,583	41,373	42.5
85315	TYPOGRAPHIC	3438 ASHBY RD	ST ANN	63074	BRYANT, ELVIS	314-428-5364	613,286	569,200	27,594	22,739	272	17.1
64195	UNS	2105 INDEPENDENCE AVE.	KANSAS CITY	64125	SEVEDGE, BECKY	816-283-2489	286,660	216,682	47,758	49,824	333	-2.1
85316	UNION MEMORIAL	4839 A ANDERSON	ST. LOUIS	63115	BROWN, FUMCEY	314-389-6015	103,853	7,639	77,963	15,041	202	1.3
63597	UNITED	802 EAST BRECKENRIDGE	MEXICO	65265	PENN, DAVID A.	314-581-8651	11,656,527	4,230,700	7,107,013	554,995	3,076	36.3
04212	UNITED CONSUMERS	7000 ROBERTS	KANSAS CITY	64125	PIERCE, DENNIS E.	816-483-5420	33,879,296	14,385,146	16,107,233	2,636,918	9,329	28.6
64174	UNITED GROCERS & ASSOC.	4231 CLARY BLVD	KANSAS CITY	64130	ANDERSON, MARY	816-921-4191	2,247,962	1,327,452	855,995	126,405	993	4.3
64803	VESTAL EMPL.	4963 MANCHESTER AVE	ST LOUIS	63110	KIRKIN, ROSE	314-535-1810	292,953	224,839	66,813	15,260	237	8.1
64483	VICTORY	900 N. TUCKER BLVD.	ST. LOUIS	63101	CORZINE, CHERYL A.	314-421-2777	5,036,622	3,544,159	1,441,163	275,476	2,589	36.3
64276	VISITATION COMMUNITY	4901 DELMAR BLVD.	ST LOUIS	63108	MARSH, JACK R.	314-367-8050	1,539,500	829,090	655,160	78,982	726	37.1
85317	WEBSTER GROVES HON EMP.	1302 SOUTH ELH	WEBSTER GROV	63119	BUECHLER, JACK N.	314-961-5599	208,825	185,477	5,529	16,547	200	25.0
62801	WEST COMMUNITY	P.O. BOX 4858	ST. LOUIS	63144	HINRICH, GARY	314-968-6860	13,184,153	8,546,549	3,890,821	631,250	7,097	14.1
21683	WEST SIDE BAPTIST CHURCH	4675 PAGE BLVD	ST LOUIS	63113	NELSON, TERETHA	314-991-2719	58,057	24,601	32,124	7,367	348	19.0
62804	WESTERN AUTO	2107 GRAND AVE.	KANSAS CITY	64108	CAMMACK, REGINA K.	816-346-4527	1,430,646	997,151	358,206	55,062	551	53.8
64333	WESTERN STAR	P.O. BOX 9884	KANSAS CITY	64134	HAZUR, MARY J.	816-763-9045	1,917,125	1,614,323	287,886	167,916	1,488	5.3
64754	WESTERN SUPERIOR FOLEY	2920 CASS AVE	ST. LOUIS	63106	KAYSCHKE, EDON	314-531-0100	625,418	225,855	374,670	33,004	310	15.1
64590	WESTFALL EMPL.	905 ATLANTIC	KANSAS CITY	64141	MURRAY, LOUISE	816-421-7262	266,316	174,756	64,262	42,006	504	-2.6
64023	WETTERAU EMPL.	8900 PERSHALL RD	HAZELWOOD	63042	DEGROODT, DENNIS J.	314-524-4440	8,449,007	3,941,958	4,319,879	587,869	5,518	9.7
62712	WHITE EAGLE	210 N. 10TH ST 5TH FL	KANSAS CITY	64105	PAUL, JENNIFER J.	816-391-9948	3,940,556	1,610,511	817,173	182,244	1,045	21.9
64500	WIRECO	905 N. 3RD ST	ST. JOSEPH	64502	MURSKI, MARY PAT	816-232-1699	930,051	542,478	350,364	111,712	662	14.2
64496	WOLFORD	1020 WALNUT ST	KANSAS CITY	64106	Inactive after 6/86	000-000-0000	255,803	167,370	65,990	37,152	252	-14.4
63439	WYETH COMPANY EMPL.	101 JULES	ST. JOSEPH	64501	WYETH, MUSTON	816-232-7721	335,105	272,646	61,380	28,946	305	4.8

A P P E N D I X E

**CREDIT UNION REGULATIONS - LEGISLATION
ENACTED IN 1987 IN OTHER STATES**

CREDIT UNION REGULATION: MAJOR 1987 ENACTED LEGISLATION

S BILL #
T OR
A CHAPTER #
T (1987 Laws/
E Acts)

SUMMARY

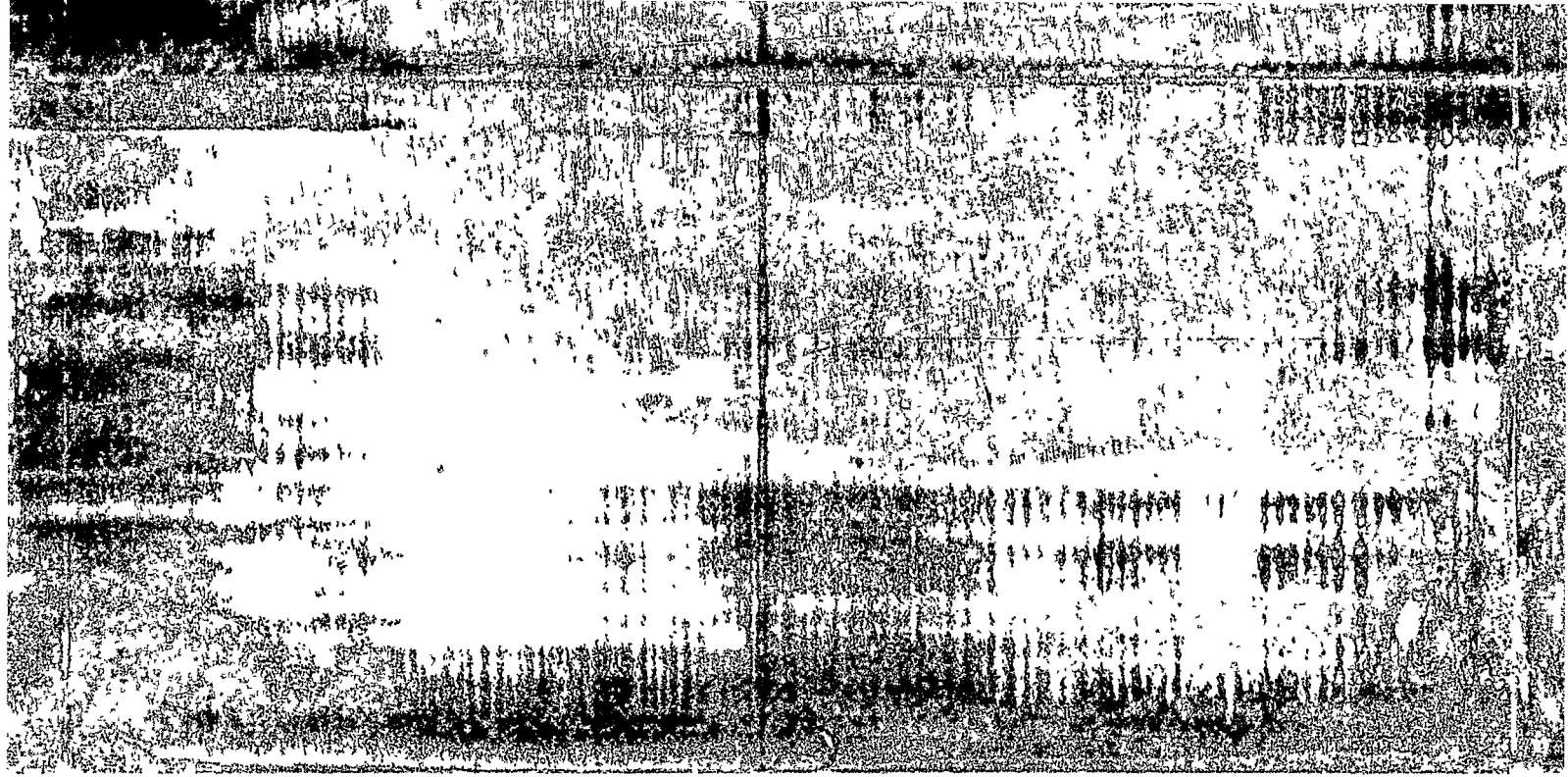
AZ SB 1221	Makes numerous amendments to regulations governing credit unions.
CO HB 1248	Makes provisions concerning the operation of credit unions.
KS HB 2396	Relates to credit unions. Gives certain powers.
KS HB 2407	Revises certain powers and duties of the administrator of credit unions.
ND HB 1232	Relates to credit union directors, duties, powers, and loan limitations.
ND HB 1423	Relates to the powers of credit unions.
NE LB 197	Revises the power of credit unions. Repeals the original section.
NM HB 214	Makes provisions relating to credit unions. Provides for the regulation of credit unions and repeals the Credit Union Act.
OH SB 149	Improves the regulation of savings and loan associations, banks, and credit unions in accordance with the recommendations of the Joint Select Committee on Savings and Loans.
OR SB 649	Revises credit union law.
TX HB 1208	Makes provisions relating to the regulation of credit unions.

NOTES:

32 states enacted 73 bills dealing with credit union regulation during the 1987 sessions.

Most of the bills, except for the ones listed above, dealt with the following broad areas: real estate loans (including second mortgages and defaults), insurance of accounts, deposit of state funds in credit unions, secured loan limits, credit union investments, borrowing by officers, credit cards, check cashing, membership, branch offices, business loans, acquisition of credit union by banks, unsafe operations, closure of unions, and liability of officers.

(Source, *Information for Public Affairs*, 11/2/87)



A P P E N D I X F

**NATIONAL ASSOCIATION OF SHARE INSURANCE CORPORATIONS
STANDARDS FOR COOPERATIVE CREDIT UNION
SHARE INSURANCE CORPORATIONS**

**National Association of Share Insurance Corporations
Standards for Cooperative Credit Union
Share Insurance Corporations**

PURPOSE:

The following National Association of Share Insurance Corporations Standards have been implemented to establish the minimum operating procedures for prudent management of cooperative credit union insurers.

These Standards benefit the insurance corporations and their members by facilitating a system of share insurance that is cost effective, financially sound, and responsive to changing member needs. These Standards are the minimum practices to be followed. The financial, geographic and legislative history of each corporation will determine the specific methods a fund uses to meet each requirement.

Through the Permanent Standards Committee compliance audits and other National Association of Share Insurance Corporations initiated self-regulating efforts, the financial integrity of the whole insurance system is monitored and enhanced to meet changing circumstances.

A. CHARTERING AND ORGANIZATION

1. Each share insurance corporation shall be duly chartered under appropriate state authority and authorized to do business pursuant to such charter.
2. The insured credit unions shall have the right to elect directors, and through them, influence the affairs of the corporation.
3. Each corporation shall have the ability to install directors who are not employees or officials of participant credit unions.

B. SUPERVISION AND REGULATION

1. Each share insurance corporation shall be supervised by a designated state authority.
2. Each share insurance corporation shall be subject to field examinations.
3. The written examination report of each share insurance corporation shall be made available to

supervisory authorities in other states where the corporation does business.

4. The fiscal year-end financial statements of each corporation shall be filed with supervisory authorities in all states where the corporation does business.
5. Each share insurance corporation shall maintain continuous communication with supervisory authorities about the condition of participating insured credit unions.

C. AUDITING AND FINANCIAL REPORTING

1. Each share insurance corporation is audited at least annually by an independent CPA firm in accordance with generally accepted auditing standards (GAAS). The audit report and the opinion letter shall be filed with supervisory authorities in each state where the corporation does business. The audit report shall be made available to participant insured credit unions and other interested parties.

2. Financial statements, prepared on a basis consistent with the audit report, and including key financial ratios, shall be published at least quarterly.
3. Each share insurance fund shall publish an annual report of its operations including audited financial statements.

D. FINANCIAL STANDARDS

1. Capital

- a. Each share insurance corporation shall maintain a capital base composed at least of deposits from participant credit unions plus retained earnings, and has a net worth of at least 1% of insured accounts or another amount mandated by state law.
- b. The entire capital shall be available to pay for direct or related costs of operation including the expenses of insured losses.

- c. Terms of withdrawals from the capital base shall be prescribed by statute or clearly stated in writing.
- d. Each share insurance corporation shall have the authority to impose and collect special assessments on members to increase the capital base in extraordinary circumstances.

2. Liquidity

- a. Each share insurance corporation shall maintain written internal policies on liquidity management, including routine daily transactions, short-term financial assistance to insured credit unions, payments for assisted mergers and reorganizations, long-term (more than one year) financial assistance to insured credit unions and funds for liquidation and payout to shareholders/depositors of insured credit unions.

- b. Each share insurance corporation shall have an external guaranteed/committed line of credit equal to a percentage of its assets.
- c. Each share insurance corporation shall have guaranteed/committed lines of credit from more than one source.
- d. These lines of credit shall be reviewed periodically for adequacy.

E. RISK UNDERWRITING AND MONITORING

- 1. Each share insurance corporation shall have written eligibility standards and procedures for reviewing applications to determine acceptable risk.
- 2. Each share insurance corporation shall have the authority to deny coverage.
- 3. Each share insurance corporation shall have the authority to terminate coverage.

4. Monitoring Insured Performance

- a. Each share insurance corporation has the authority to require change before coverage is granted if applicant presents below average or deteriorating performance in any area of critical underwriting criteria.
- b. Each share insurance corporation shall review participant insured credit unions' financial statements at least semi-annually, analyzing earnings solvency, growth, investments, loan delinquency, loan concentration and liquidity, using an acceptable rating system (such as CAMEL) to determine and analyze trends.
- c. Each share insurance corporation shall have the authority to require submission of reports more frequently than semi-annually, including financial and any special/additional reports that may be needed.

- d. Copies of any special or additional reports shall be sent to supervisory authorities for supervisory coordination.
- e. Each share insurance corporation shall have agreements to receive examination and other supervisory reports of each participant insured credit union in a timely manner.
- f. Each share insurance corporation shall continually review all data to determine risk exposure represented by each participant insured credit union.
- g. Each share insurance corporation shall have the authority to conduct periodic field examinations of participant insured credit unions.

5. Managing Risk Concentration

- a. Each share insurance corporation shall maintain a system for evaluating risk concentration in its participant insured credit unions and regularly monitor total

risk exposure represented by the combination of its lowest rated and its largest participant insured credit unions.

- b. Each share insurance corporation shall have written procedures, which may include reinsurance commitments, on responding to any situation which may endanger the fund.

6. Enforcement of Insurance Authority

- a. Each share insurance corporation shall have statutory or contractual authority to require participant insured credit unions to change operational or financial practices. This authority may include terminating coverage, removing officials and/or employees, enforcing operating restriction or covenants, making individual premium or capital deposit adjustments (risk rating), or other appropriate actions.
- b. Each share insurance corporation shall have conservator, receiver, or similar authority.

F. COMPLIANCE WITH STANDARDS

1. Each share insurance corporation shall be examined at least annually by a committee consisting of one representative of each of the following: a non-competing NASIC member, a CPA firm, a state supervisory authority, and NASIC management. The written exam report is submitted to the corporation's management and board of directors.
2. A copy of the exam report and the corporation's reply, if any, are sent to the supervisory agency.

G. CORPORATE AND PROFESSIONAL DEVELOPMENT

1. Each share insurance corporation shall maintain a business plan for fiscal control and budgeting, organizational development and training.
2. Each share insurance corporation shall work with participant insured credit unions and with other NASIC members to develop new tools and techniques of supervision and to share resources for mutual self help.

A P P E N D I X G

STATE EMPLOYEE CREDIT UNION RANKINGS
AS PUBLISHED BY IDC PUBLISHING, INC.
(April, 1987)

7

14

State Employee Credit Union Rankings
as Published by IDC Financial Publishing, Inc.
(April, 1987)

<u>Credit Union</u>	<u>Credit Union Ranking</u>
Dist. 1 Highway	113
Dist. 2 Highway	102
Dist. 3 Highway	127
Dist. 4 Highway	111
Dist. 5 Highway	153
Dist. 6 Highway	117
Dist. 7 Highway	80
Dist. 8 Highway	130
Dist. 9 Highway	163
Dist. 10 Highway	153
Jefferson City Highway	142
Conservation Employees	140
Missouri Health	79
Employment Security	108
Southwest Teachers	107
Lincoln University	102
Missouri National Guard	108
Missouri Student Fed. Credit Union	76
Northwest Missouri Teachers	126
Missouri State Employees	113

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